

THE TRUST FOR CULTURAL RESOURCES  
OF THE CITY OF NEW YORK  
Basic Financial Statements  
and Supplementary Information  
December 31, 2012  
(With Independent Auditors' Reports Thereon)

# THE TRUST FOR CULTURAL RESOURCES OF THE CITY OF NEW YORK

## TABLE OF CONTENTS

---

	Page
INDEPENDENT AUDITORS' REPORT	1 - 2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3 - 6
BASIC FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2012 and 2011:	
Statements of Net Position	7
Statements of Revenues, Expenses and Changes in Net Position	8
Statements of Cash Flows	9
Notes to Basic Financial Statements	10 - 52
SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2012:	
Schedule 1 - Combining Statement of Net Position	53 - 54
Schedule 2 - Combining Statement of Revenues, Expenses, and Changes in Net Position	55 - 56
Schedule 3 - Combining Statement of Cash Flows	57 - 58
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE, AND OTHER MATTERS, INCLUDING COMPLIANCE WITH INVESTMENT GUIDELINES, BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <u>GOVERNMENT AUDITING STANDARDS</u>	59 - 60
SCHEDULE OF PRIOR YEAR'S FINDINGS	61

\* \* \* \* \*

## INDEPENDENT AUDITORS' REPORT

The Board of Trustees  
The Trust for Cultural Resources  
of The City of New York  
New York, New York:

### Report on the Financial Statements

We have audited the accompanying statements of net position of The Trust for Cultural Resources of The City of New York's (the Trust) as of December 31, 2012 and 2011, and revenues, expenses and changes in net position and cash flows for years then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Trust's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net position of The Trust for Cultural Resources of The City of New York as of December 31, 2012 and 2011, and the revenues, expenses and changes in net position and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

### Other Matters

As discussed in note 1 to the financial statements, the Trust adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 62 - "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements," GASB Statement No. 63 - "Financial Reporting of Deferred Outflows of Resources Deferred, Deferred Inflows of Resources, and Net Position," and GASB Statement No. 65 - "Items Previously Reported as Assets and Liabilities," during 2012.

### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 6 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### Other Information

Our audits were made for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

### Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 21, 2013, on our consideration of the Trust's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Trust's internal control over financial reporting and compliance.

Toski & Co., CPAs, P.C.

Williamsville, New York  
March 21, 2013

# THE TRUST FOR CULTURAL RESOURCES OF THE CITY OF NEW YORK

## MANAGEMENT'S DISCUSSION AND ANALYSIS YEARS ENDED DECEMBER 31, 2012 and 2011

---

This section of The Trust for Cultural Resources of The City of New York's (the Trust) annual financial report presents our discussion and analysis of the Trust's financial performance during the calendar years that ended on December 31, 2012 and 2011. Please read it in conjunction with the basic financial statements and accompanying notes.

### OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

This annual financial report consists of two parts: *management's discussion and analysis* (this section) and the *basic financial statements*. The basic financial statements include:

The **Statements of Net Position** report all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position of the Trust. Net position, which is the residual of the other four items above, is one way to evaluate the Trust. Over time, an increase or decrease in *Net Position* can be a useful indicator as to whether an organization's financial health is improving or deteriorating. However, due to the factors discussed below, this general rule does not apply to the Trust.

The Total Net Position of (\$190,712,734) is attributable to the Trust's combined-use facility for the benefit of The Museum of Modern Art (MOMA), including accumulated depreciation and contributions made by MOMA to the cost of the combined-use facility. As discussed in Note 4, the Trust's liability for these contributions is limited to funds that the Trust collects for this purpose and to the extent that the collected funds are insufficient, the Trust has no liability to MOMA.

The **Statements of Revenues, Expenses, and Changes in Net Position** show how the Trust's *Net Position* changed during the calendar year. All changes in *Net Position* are reported on an *accrual basis* of accounting, which reports the events as they occur, rather than when cash changes hands (*cash basis* of accounting).

The **Statements of Cash Flows** report how the Trust's restricted cash and cash equivalents increased or decreased during the year. The statements show how restricted cash and cash equivalents were provided by and used in the Trust's operating, capital and related financing, and investing activities. The net increase or decrease in the Trust's restricted cash and cash equivalents is added to the beginning balance at the beginning of the year to arrive at the restricted cash and cash equivalents balance at the end of the year. The Trust uses the direct method of presenting cash flow, which includes a reconciliation of operating income or loss to operating activities.

The **Notes to Basic Financial Statements** are an integral part of the financial statements, disclosing information which is essential to full understanding of the statements.

The **Supplementary Information** includes a combining statement of net position, statement of revenues, expenses and changes in net position and statement of cash flows, which represents the Trust's financial statements in more detail.

The Trust is a public benefit corporation created by state legislation to assist participating cultural institutions to expand and develop unused or underutilized interests in real estate in New York City. The Trust is also a conduit for issuing bonds in order to finance facilities for participating cultural institutions. These bonds are payable solely from revenues provided by these institutions. Until May 31, 2012, two series of bonds issued to finance facilities for MOMA were payable from tax equivalency payments or, if those are insufficient, from amounts paid by MOMA. As of June 1, 2012, the prior two issuances were

refunded by Series 2012A, which is payable from tax equivalency payments or, if those are insufficient, from amounts paid by MOMA. The Trust has agreed to repay any such amounts advanced by MOMA for such debt service or for certain construction costs solely from tax equivalency payments collected by the Trust and not required by statute or contract to be used for other purposes. The Trust follows enterprise fund reporting; accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Enterprise fund statements offer short and long-term financial information about the activities and operations of the Trust. These statements are presented in a manner similar to a private business.

**New accounting pronouncements** - For the year ended December 31, 2012, the Trust adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 62 - "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements."

For the year ended December 31, 2012, the Trust implemented GASB Statement No. 63 "Financial Reporting of Deferred outflows of Resources, Deferred Inflows of Resources and Net Position". This statement amends the net asset reporting requirements in Statement No. 34 - "Basic Financial statements - and Management's Discussion and Analysis - for State and Local Governments" and other pronouncements by incorporating deferred outflows of resources and deferred inflows or resources into the definitions of the required components of the residual measure and by the renaming that measure as net position, rather than net assets.

For the year ended December 31, 2012, the Trust implemented GASB Statement No. 65 - "Items Previously Reported as Assets and Liabilities". This statement established accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes as outflows of resources or inflows of resources, certain items that were previously reported as assets or liabilities.

**2012 FINANCIAL HIGHLIGHTS AND ANALYSIS:**

- Total current assets increased \$0.08 million (or 9.8%)
- Total current liabilities decreased \$0.07 million (or 1.2%)
- Total net position increased \$0.2 million (or 0.1%)
- Operating expenses decreased \$1.4 million (or 17.3%)
- Operating loss decreased \$1.4 million (or 115.0%)

**Net Position** - The following table summarizes the changes in net position between the years ended December 31, 2012 and 2011:

**Summary of Net Position (\$ in thousands)**

	<u>2012</u>	<u>2011</u>	<b>2012 % Increase (Decrease)</b>
Current assets	\$ 884	\$ 805	9.8%
Noncurrent assets	26,226	28,283	(7.3%)
Total assets	<u>27,110</u>	<u>29,088</u>	(6.8%)
Deferred outflows	1,076	951	13.1%
Current liabilities	6,088	6,160	(1.2%)
Noncurrent liabilities	211,196	213,303	(1.0%)
Total liabilities	<u>217,284</u>	<u>219,463</u>	(1.0%)
Deferred inflows	1,614	1,474	9.5%
Net position:			
Invested in capital assets	20,424	21,930	(6.9%)
Unrestricted	<u>(211,136)</u>	<u>(212,828)</u>	0.8%
Total net position	<u>\$ (190,712)</u>	<u>\$ (190,898)</u>	0.1%

### December 31, 2012 vs. December 31, 2011

- Current assets increased by 9.8% to \$0.9 million. This increase is primarily due to an increase in the amounts outstanding in the accounts receivables at year end.
- Noncurrent assets decreased by 7.3% to \$26.2 million. This decrease is primarily due to additional accumulated depreciation on the portion of MOMA's facilities owned by the Trust and leased to MOMA.
- Current liabilities decreased by 1.2% to \$6.1 million. This decrease is primarily due to the decrease in the bonds interest payable due in 2013.
- Noncurrent liabilities decreased by 1.0% to \$211.2 million. This decrease is primarily due to the bond refunding of the MOMA Series 1996A Bonds and the MOMA Series 2001A Bonds with the MOMA Series 2012A Bonds resulting in a lower bond outstanding amount.
- The net position increased by 0.1% to (\$190.7) million. This increase is primarily the result of an operating gain of \$0.2 million.

**Revenues, Expenses and Changes in Net Position** - The following table summarizes the changes in operating loss between the years ended December 31, 2012 and 2011:

#### Summary of Revenues, Expenses and Changes in Net Position (\$ in thousands)

	<u>2012</u>	<u>2011</u>	<u>2012 % Increase (Decrease)</u>
Operating revenues:			
Tax equivalency receipts	\$ 6,393	\$ 6,360	0.5%
Reimbursement of expenses	<u>433</u>	<u>471</u>	(8.1%)
Total operating revenues	<u>6,826</u>	<u>6,831</u>	(0.1%)
Operating expenses:			
Interest on outstanding bonds	2,166	2,506	(13.6%)
Other interest and amortization	895	1,760	(49.1%)
Other expenses	<u>3,584</u>	<u>3,770</u>	(4.9%)
Total operating expenses	<u>6,645</u>	<u>8,036</u>	(17.3%)
Operating gain / (loss)	181	(1,205)	115.0 %
Nonoperating revenues - income from investments	<u>4</u>	<u>3</u>	33.3%
Change in net position	\$ <u>185</u>	\$ <u>(1,202)</u>	115.4 %

**Operating Activities** - Revenues of the Trust are derived primarily from tax equivalency receipts and bond interest income to fund its operations.

### December 31, 2012 vs. December 31, 2011

- During the calendar year 2012, revenues from tax equivalency payments increased by 0.5% to \$6.4 million. This increase is primarily the result of the increase in assessed values of properties that are subject to the obligation to make tax equivalency payments from \$47.3 million to \$49.0 million, as established by New York City's Department of Finance.
- As a result of a decrease in general and administrative expenses in 2012 for all entities except for MOMA, reimbursement of expenses decreased by 8.1% to \$0.4 million.
- As a result of a principal bond payment and the MOMA TEP bonds refunding, interest on outstanding bonds decreased by 13.6% to \$2.2 million.

- Other interest and amortization decreased by 49.1% to \$0.9 million. This decrease is primarily due to the decrease in the annual interest rate on the Trust's obligations to MOMA (as described in Note 4) from 0.85% in 2011 to 0.39% in 2012.
- Other expenses decreased by 4.9% to \$3.6 million. This is primarily due to a decrease in general and administrative expenses of \$82,000, primarily associated with MOMA.
- The operating gain increased by 115.0% to \$0.2 million. This is primarily the result of the decrease in other interest and amortization coming from the decrease in the annual interest rate on the Trust's obligations to MOMA (as described in Note 4 and above) from 0.85% in 2011 to 0.39% in 2012.

#### **CONTACTING THE TRUST'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our customers, clients and creditors with a general overview of the Trust's finances and to demonstrate the Trust's accountability for the resources at its disposal. If you have any questions about this report or need additional financial information, contact the public information office, New York City Economic Development Corporation, 110 William Street, New York, New York 10038.

**THE TRUST FOR CULTURAL RESOURCES OF THE CITY OF NEW YORK**  
**STATEMENTS OF NET POSITION**  
**DECEMBER 31, 2012 and 2011**

---

	<u>2012</u>	<u>Restated 2011</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Other current assets	\$ 883,876	\$ 804,970
<b>NONCURRENT ASSETS:</b>		
Restricted cash and cash equivalents (note 2)	5,801,860	6,353,463
Land (note 7)	4,760,253	4,760,253
Capital assets other than land, net (note 7)	<u>15,663,468</u>	<u>17,169,424</u>
Total noncurrent assets	<u>26,225,581</u>	<u>28,283,140</u>
Total assets	<u>27,109,457</u>	<u>29,088,110</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred amount on refunding (net of accumulated amortization of \$110,825 and \$2,052,363 in 2012 and 2011, respectively)	<u>1,076,269</u>	<u>951,105</u>
Total deferred outflows of resources	<u>1,076,269</u>	<u>951,105</u>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable and accrued expenses	1,053,328	1,097,160
Due to cultural institutions (note 6)	1,623,917	1,813,247
Due to NYC Economic Development Corp.	-	15,000
Current portion of bonds payable (note 8)	2,980,000	2,200,000
Interest payable on bonds	430,938	1,013,200
Other liabilities	<u>-</u>	<u>21,574</u>
Total current liabilities	<u>6,088,183</u>	<u>6,160,181</u>
<b>NONCURRENT LIABILITIES:</b>		
Payable to Museum of Modern Art (note 4 and 8)	170,062,795	169,003,826
Bonds payable, net of unamortized premium (discount) of \$5,753,803 and (\$320,353) in 2012 and 2011, respectively (note 8)	<u>41,133,803</u>	<u>44,299,647</u>
Total noncurrent liabilities	<u>211,196,598</u>	<u>213,303,473</u>
Total liabilities	<u>217,284,781</u>	<u>219,463,654</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred revenue	<u>1,613,679</u>	<u>1,473,515</u>
Total deferred inflows of resources	<u>1,613,679</u>	<u>1,473,515</u>
<b>NET POSITION</b>		
Unrestricted	(211,136,455)	(212,827,631)
Invested in capital assets (net of debt)	<u>20,423,721</u>	<u>21,929,677</u>
Total net position	<u>\$ (190,712,734)</u>	<u>\$ (190,897,954)</u>

See accompanying notes to the financial statements.

**THE TRUST FOR CULTURAL RESOURCES OF THE CITY OF NEW YORK**  
**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**FOR THE YEARS ENDED DECEMBER 31, 2012 and 2011**

---

	<u>2012</u>	<u>Restated 2011</u>
<b>OPERATING REVENUES:</b>		
Tax equivalency receipts (note 3)	\$ 6,393,515	\$ 6,360,451
Reimbursement of expenses	<u>432,649</u>	<u>470,683</u>
Total operating revenues	<u>6,826,164</u>	<u>6,831,134</u>
<b>OPERATING EXPENSES:</b>		
Interest on outstanding bonds	2,165,688	2,506,150
Other interest and amortization	894,932	1,759,795
Depreciation	1,505,956	1,505,956
Payments in lieu of taxes	1,552,061	1,656,606
General and administrative	<u>525,920</u>	<u>607,370</u>
Total operating expenses	<u>6,644,557</u>	<u>8,035,877</u>
Operating income (loss)	<u>181,607</u>	<u>(1,204,743)</u>
<b>NONOPERATING REVENUES:</b>		
Income from investments	<u>3,613</u>	<u>2,661</u>
Change in net position	185,220	(1,202,082)
NET POSITION, BEGINNING OF YEAR, AS PREVIOUSLY STATED	-	(189,406,934)
RESTATEMENT (NOTE 2)	<u>-</u>	<u>(288,938)</u>
NET POSITION, BEGINNING OF YEAR, AS RESTATED	<u>(190,897,954)</u>	<u>(189,695,872)</u>
NET POSITION, END OF YEAR	<u>\$ (190,712,734)</u>	<u>\$ (190,897,954)</u>

See accompanying notes to the financial statements.

# THE TRUST FOR CULTURAL RESOURCES OF THE CITY OF NEW YORK

## STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2012 and 2011

	<u>2012</u>	<u>Restated 2011</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from tax equivalency payments	\$ 6,399,775	\$ 6,785,802
Payments of interest expense on outstanding bonds	(2,747,950)	(2,528,650)
Payments in lieu of taxes	(1,530,834)	(1,659,872)
Payments of general and administrative expenses	<u>(601,729)</u>	<u>(655,139)</u>
Net cash provided by operating activities	<u>1,519,262</u>	<u>1,942,141</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Investment income	3,613	2,661
Entity contribution for administrative costs	270,000	689,500
Final payment of funds to entity	(323)	-
Other	<u>2,816</u>	<u>25,533</u>
Net cash provided by investing activities	<u>276,106</u>	<u>717,694</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Redemption of bonds and refundings	(46,820,000)	(1,800,000)
Proceeds from new issuance of bonds, net of premium	<u>44,473,029</u>	<u>-</u>
Net cash used in financing activities	<u>(2,346,971)</u>	<u>(1,800,000)</u>
Net decrease in restricted cash and cash equivalents	(551,603)	859,835
RESTRICTED CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR	<u>6,353,463</u>	<u>5,493,628</u>
RESTRICTED CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 5,801,860</u>	<u>\$ 6,353,463</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:		
Operating income (loss)	\$ 181,607	\$ (1,204,743)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation	1,505,956	1,505,956
Interest expense on accrued obligations to MOMA	1,058,969	1,552,227
Changes in operating assets and liabilities:		
(Increase) decrease in other current assets	(78,906)	77,028
(Decrease) increase in accounts payable and accrued expenses	(43,832)	11,465
Decrease in due to cultural institutions	(461,823)	(548,113)
Decrease in due to NYC Economic Development Corp.	(15,000)	(62,500)
Decrease in interest payable on bonds	(582,262)	(22,500)
(Decrease) increase other liabilities	(21,574)	425,753
Increase in deferred revenue	140,164	-
(Increase) decrease in unamortized discount (premium)	(335,788)	55,986
Decrease in deferred amount on refunding	<u>171,751</u>	<u>151,582</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 1,519,262</u>	<u>\$ 1,942,141</u>

### SUPPLEMENTAL DISCLOSURES OF NONCASH ACTIVITIES:

The January 10, 2006 Amendment to the TEP Agreement between Museum of Modern Art (MOMA) and the Trust provides that beginning July 1, 2009, all notes and bonds issued by the Trust to MOMA bear interest during each 12 month period at the 3 year treasury rate in effect on July 1 of each such period. (See note 4.)

See accompanying notes to the financial statements.

# THE TRUST FOR CULTURAL RESOURCES OF THE CITY OF NEW YORK

## NOTES TO BASIC FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2012 and 2011

---

### 1. ORGANIZATION

The Trust for Cultural Resources of The City of New York (the Trust) is a public benefit corporation created by state legislation to assist participating cultural institutions to expand and develop unused or underutilized interests in real estate in The City of New York.

Although the Trust retains certain agents, including legal counsel, independent auditors, and private consultants, it has not exercised its authority, in accordance with Articles 20 and 21 of the New York Arts and Cultural Affairs Law, to have a paid chief executive officer, nor has it hired employees. Since April 1, 1993, the Trust has contracted with the New York City Economic Development Corporation (EDC), for a fixed fee, to provide financial services and financial reporting to the Trust.

. The Trust is not considered to be a component unit of The City of New York or the State of New York for financial reporting purposes.

The assets and revenues of the Trust are required to be used for particular operating, project construction, and debt service purposes under the provisions of the enabling legislation of the Trust found in Articles 20 and 21 of the Law (the legislation) and under the resolutions by which the Trust has issued its revenue bonds.

### 2. SIGNIFICANT ACCOUNTING POLICIES

***Basis of Accounting*** - The Trust accounts for its activities following the governmental model of reporting and, accordingly, adheres to accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board (GASB). In conformity with such standards, the Trust follows GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*, which permitted the Trust to apply all applicable GASB pronouncements as well as the following pronouncements issued by the Financial Accounting Standards Board (FASB) on or before November 30, 1989, provided that the FASB pronouncements did not conflict with or contradict GASB pronouncements. The Trust has elected the option not to apply all FASB statements and pronouncements issued after November 30, 1989. Accordingly, the Trust accounts for and reports its activities as an enterprise fund. An enterprise fund is used to account for entities that are financed and operated similarly to private business enterprises where the intent is to recover the full cost of service through user charges.

The Trust's basic financial statements are prepared on the accrual basis of accounting and, accordingly, income is recognized when earned and expenses are recorded when incurred.

***New accounting pronouncements*** - For the year ended December 31, 2012, the Trust adopted the Provisions of GASB Statement No. 62 - "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements."

For the year ended December 31, 2012, the Trust implemented GASB Statement No. 63 "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position". This statement amends the net asset reporting requirements in Statement No. 34 - "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments" and other pronouncements by incorporating deferred outflows of resources and deferred inflows or resources into the definitions of the required components of the residual measure and by the renaming that measure as net position, rather than net assets.

For the year ended December 31, 2012, the Trust implemented GASB Statement No. 65 – “Items Previously Reported as Assets and Liabilities”. This statement established accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes as outflows of resources or inflows of resources, certain items that were previously reported as assets or liabilities.

The implementation of these standards required restatement of the net position at the beginning of the fiscal year ended December 31, 2011. The effect of the restatement is to reduce beginning net position in fiscal year ended December 31, 2011 by \$288,938 to reflect expensing of bond issuance costs of \$249,548 and elimination of 2011 amortization expense of \$39,390, all of which are recorded within the Museum of Modern Art in the combining statement of net position and combining statement of revenues, expenses and changes in net position.

**Restricted Cash and Cash Equivalents** - At December 31, 2012 and 2011, restricted cash and cash equivalents consist principally of U.S. Government obligations and money market accounts with aggregate fair values which approximate cost. Such amounts are fully collateralized or insured.

**Use of Estimates** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### 3. HISTORY OF FINANCINGS

The Trust has issued bonds for the benefit of 21 participating cultural institutions as follows:

#### *The Museum of Modern Art – Tax Equivalency Payment (“TEP”) Bonds*

<u>Bond Issue</u>	<u>Date of Issuance</u>	<u>Use of Proceeds</u>	<u>Status of Bonds</u>	<u>Credit Enhancement or Liquidity Facility</u>	<u>Mode</u>
\$28,530,000 Revenue Refunding Bonds, Series 1996A	11/20/1996	Refunded the Series 1991A Bonds and a portion of the Series 1993A Bonds.	<i>Redeemed</i>	Ambac Assurance Corp.	Fixed
\$23,090,000 Revenue Refunding Bonds, Series 2001A	12/13/2001	Refunded the outstanding balance of the Series 1993A Bonds.	<i>Redeemed</i>	Ambac Assurance Corp.	Fixed
\$38,360,000 Refunding Revenue Bonds, Series 2012A	5/1/2012	Refunded the outstanding balance of the Series 1996A Bonds and the Series 2001A Bonds on 5/31/2012.	<i>Outstanding</i>	None	Fixed

**The Museum of Modern Art (MOMA)**

<b><u>Bond Issue</u></b>	<b><u>Date of Issuance</u></b>	<b><u>Use of Proceeds</u></b>	<b><u>Status of Bonds</u></b>	<b><u>Credit Enhancement or Liquidity Facility</u></b>	<b><u>Mode</u></b>
\$34,755,000 Revenue Bonds, Series 1996-One	11/20/1996	Refinanced land acquisition and other costs related to expansion, improvement and rehabilitation of MOMA's main facility and the art storage and study facility in Queens, NY.	<i>Redeemed</i>	Ambac Assurance Corp.	Fixed
\$75,750,000 Revenue Bonds, Series 2000-One-A and B	3/14/2000	Repaid the interim financing that was used to redeem the Series 1996 - One Bonds and financed acquisition and improvements of the art storage and study facility in Queens, NY.	<i>Redeemed</i>	Ambac Assurance Corp.	Auction Rate
\$135,000,000 Revenue Bonds, Series 2001-One-A,B and C	12/13/2001	Expanded, improved, and rehabilitated MOMA's main facility and the art storage and study facility in Queens, NY.	<i>Redeemed</i>	Ambac Assurance Corp.	Auction Rate
\$100,000,000 Revenue Bond, Series 2001-One-D	12/13/2001	Expanded, improved, and rehabilitated MOMA's main facility and the art storage and study facility in Queens, NY.	<i>Redeemed</i>	Ambac Assurance Corp.	Fixed
\$195,035,000 Refunding Revenue Bond Series 2008-One-A	7/23/2008	Refunded the Series 2000 - One Bonds and the Series 2001 - One-A/B/C Bonds.	<i>Outstanding</i>	None	Fixed
\$55,285,000 Refunding Revenue Bonds, Series 2010-One-A	7/29/2010	Refunded a portion of the Series 2008 - One-A Bonds.	<i>Outstanding</i>	None	Fixed
\$52,545,000 Refunding Revenue Bonds, Series 2012-One-D	5/1/2012	Together with a loan from GS Bank, refunded the outstanding balance of the Series 2001-One-D Bonds on 7/1/2012.	<i>Outstanding</i>	None	Fixed

**Educational Broadcasting Corporation (EBC)**

<b><u>Bond Issue</u></b>	<b><u>Date of Issuance</u></b>	<b><u>Use of Proceeds</u></b>	<b><u>Status of Bonds</u></b>	<b><u>Credit Enhancement or Liquidity Facility</u></b>	<b><u>Mode</u></b>
\$10,250,000 Revenue Bonds, Series 1999	1/20/1999	Acquired equipment and furniture for use at the facilities leased by EBC.	<i>Redeemed</i>	None	Fixed

**Carnegie Hall**

<b><u>Bond Issue</u></b>	<b><u>Date of Issuance</u></b>	<b><u>Use of Proceeds</u></b>	<b><u>Status of Bonds</u></b>	<b><u>Credit Enhancement or Liquidity Facility</u></b>	<b><u>Mode</u></b>
\$31,100,000 Revenue Bonds, Series 1985	12/24/1985	Renovated and modernized the Carnegie Hall building.	<i>Redeemed</i>	Letter of Credit from DEPFA Bank Plc, NY Agency	Weekly Rate
\$10,400,000 Revenue Bonds, Series 1990	8/29/1990	Renovated and modernized the Carnegie Hall building and certain facilities adjacent to the Carnegie Hall building.	<i>Redeemed</i>	Letter of Credit from DEPFA Bank Plc, NY Agency	Weekly Rate
\$41,650,000 Refunding Revenue Bonds, Series 2002	4/24/2002	Renovated and modernized certain facilities of the Carnegie Hall building and refunded the Series 1990 Bonds.	<i>Redeemed</i>	Ambac Assurance Corp.	Auction Rate
\$110,000,000 Refunding Revenue Bonds, Series 2009A	12/3/2009	Renovated and modernized certain facilities of the Carnegie Hall building and refunded the Series 2002 Bonds.	<i>Outstanding</i>	None	Fixed

**The Paley Center for Media**

**(Formerly Known as "The Museum of Television and Radio")**

<b><u>Bond Issue</u></b>	<b><u>Date of Issuance</u></b>	<b><u>Use of Proceeds</u></b>	<b><u>Status of Bonds</u></b>	<b><u>Credit Enhancement or Liquidity Facility</u></b>	<b><u>Mode</u></b>
\$27,000,000 Revenue Bonds, Series 1989	6/14/1989	Constructed its new building at 23 West 52 <sup>nd</sup> Street, NY.	<i>Redeemed</i>	Letter of Credit from KBC Bank N.V.	Weekly Rate

**The Solomon R. Guggenheim Foundation (the Foundation)**

<b><u>Bond Issue</u></b>	<b><u>Date of Issuance</u></b>	<b><u>Use of Proceeds</u></b>	<b><u>Status of Bonds</u></b>	<b><u>Credit Enhancement or Liquidity Facility</u></b>	<b><u>Mode</u></b>
\$13,500,000 Revenue Bonds, Series 1990A	8/22/1990	Renovated the Museum building, built a new 10 story adjacent building, and built an underground vault.	<i>Redeemed</i>	Letter of Credit from UBS AG, Stamford Branch	Fixed
\$41,400,000 Revenue Bonds, Series 1990B	8/22/1990	Renovated the Museum building, built a new 10 story adjacent building, and built an underground vault.	<i>Outstanding</i>	Letter of Credit from Bank of America, N.A.	Weekly Rate

**American Museum of Natural History (AMNH)**

<b><u>Bond Issue</u></b>	<b><u>Date of Issuance</u></b>	<b><u>Use of Proceeds</u></b>	<b><u>Status of Bonds</u></b>	<b><u>Credit Enhancement or Liquidity Facility</u></b>	<b><u>Mode</u></b>
\$25,000,000 Revenue Bonds, Series 1991A	5/23/1991	Expanded, improved, and renovated certain facilities of AMNH.	<i>Redeemed</i>	MBIA Insurance Corp.	Fixed
\$25,000,000 Revenue Bonds, Series 1991B	5/23/1991	Expanded, improved, and renovated certain facilities of AMNH.	<i>Redeemed</i>	MBIA Insurance Corp.	Weekly Rate
\$74,210,000 Revenue Bonds, Series 1997A	6/19/1997	Expanded, improved, and renovated certain facilities of AMNH.	<i>Redeemed</i>	MBIA Insurance Corp.	Fixed
\$27,570,000 Revenue Bonds, Series 1997B	10/1/1997	Expanded, improved, and renovated certain facilities of AMNH.	<i>Redeemed</i>	MBIA Insurance Corp.	Fixed
\$70,000,000 Revenue Bonds, Series 1999A	8/19/1999	Expanded, improved, and renovated certain facilities of AMNH.	<i>Redeemed</i>	Ambac Assurance Corp.	Fixed
\$50,000,000 Revenue Bonds, Series 1999B	8/19/1999	Expanded, improved, and renovated certain facilities of AMNH.	<i>Redeemed</i>	Ambac Assurance Corp.	Fixed (Annual reset)
\$79,360,000 Refunding Revenue Bonds, Series 2004A	6/3/2004	Refunded the Series 1999A Bonds.	<i>Outstanding</i>	MBIA Insurance Corp.	Fixed
\$28,725,000 Refunding Revenue Bonds, Series 2004B	6/3/2004	Refunded the Series 1997B Bonds.	<i>Redeemed</i>	MBIA Insurance Corp.	Auction Rate
\$69,500,000 Refunding Revenue Bonds, Series 2004C	6/15/2004	Refunded the Series 1991B Bonds and the Series 1999B Bonds.	<i>Redeemed</i>	MBIA Insurance Corp.	Auction Rate
\$77,875,000 Refunding Revenue Bonds, Series 2007A	3/23/2007	Refunded the Series 1997A Bonds.	<i>Redeemed</i>	XL Capital Assurance, Inc.	Auction Rate

**American Museum of Natural History (AMNH), Continued**

<b><u>Bond Issue</u></b>	<b><u>Date of Issuance</u></b>	<b><u>Use of Proceeds</u></b>	<b><u>Status of Bonds</u></b>	<b><u>Credit Enhancement or Liquidity Facility</u></b>	<b><u>Mode</u></b>
\$78,580,000 Refunding Revenue Bonds, Series 2008A-1 and A-2	6/24/2008	Together with the Series 2008B Bonds, refunded the Series 2004B Bonds and the Series 2004C Bonds, and repaid an interim loan which was used to refund the Series 2007A Bonds.	<i>Outstanding</i>	Standby Bond Purchase Agreement with JPMorgan Chase Bank, N.A.	Daily Rate
\$96,050,000 Refunding Revenue Bonds, Series 2008B-1, B-2, and B-3	6/24/2008	Together with the Series 2008A Bonds, refunded the Series 2004B Bonds and the Series 2004C Bonds, and repaid an interim loan which was used to refund the Series 2007A Bonds.	<i>Outstanding</i>	Standby Bond Purchase Agreement with US Bank, N.A. (Series B-1) and Wells Fargo Bank (Series B-1 and B-2)	Weekly Rate
\$17,940,000 Refunding Revenue Bonds, Series 2009A	7/10/2009	Refunded the Series 1993A Bonds and paid the interest rate swap agreement termination related payments.	<i>Outstanding</i>	None	Fixed

**The Jewish Museum**

<b><u>Bond Issue</u></b>	<b><u>Date of Issuance</u></b>	<b><u>Use of Proceeds</u></b>	<b><u>Status of Bonds</u></b>	<b><u>Credit Enhancement or Liquidity Facility</u></b>	<b><u>Mode</u></b>
\$27,000,000 Revenue Bonds, Series 1992	4/29/1992	Expanded, improved, and renovated certain facilities of The Jewish Museum and its adjacent townhouse.	<i>Redeemed</i>	Standby Bond Purchase Agreement with Chase Manhattan Bank, N.A.	Weekly Rate

**The New York Botanical Garden (the Garden)**

<b><u>Bond Issue</u></b>	<b><u>Date of Issuance</u></b>	<b><u>Use of Proceeds</u></b>	<b><u>Status of Bonds</u></b>	<b><u>Credit Enhancement or Liquidity Facility</u></b>	<b><u>Mode</u></b>
\$30,000,000 Revenue Bond Series 1996	9/1/1996	Expanded, improved, and rehabilitated certain facilities of the Garden.	<i>Redeemed</i>	MBIA Insurance Corp.	Fixed
\$40,000,000 Revenue Bonds, Series 2002	10/9/2002	Expanded, improved, and rehabilitated certain facilities of the Garden.	<i>Redeemed</i>	MBIA Insurance Corp.	Auction Rate

**The New York Botanical Garden (the Garden), Continued**

<b><u>Bond Issue</u></b>	<b><u>Date of Issuance</u></b>	<b><u>Use of Proceeds</u></b>	<b><u>Status of Bonds</u></b>	<b><u>Credit Enhancement or Liquidity Facility</u></b>	<b><u>Mode</u></b>
\$27,900,000 Refunding Revenue Bonds, Series 2006A	5/26/2006	Refunded the Series 1996 Bonds.	<i>Redeemed</i>	MBIA Insurance Corp.	Auction Rate
\$68,090,000 Refunding Revenue Bonds, Series 2009A	8/14/2009	Refinanced a loan from JPMorgan Chase Bank, N.A. which was used to redeem the Series 2002 Bonds and the Series 2006A Bonds.	<i>Outstanding</i>	Letter of Credit from JPMorgan Chase Bank, N.A.	Weekly Rate

**The Asia Society**

<b><u>Bond Issue</u></b>	<b><u>Date of Issuance</u></b>	<b><u>Use of Proceeds</u></b>	<b><u>Status of Bonds</u></b>	<b><u>Credit Enhancement or Liquidity Facility</u></b>	<b><u>Mode</u></b>
\$25,000,000 Revenue Bonds, Series 2000	4/13/2000	Expanded, improved, and rehabilitated certain facilities of The Asia Society's building infrastructure.	<i>Outstanding</i>	Letter of Credit from JPMorgan Chase Bank, N.A.	Weekly Rate

**The Manhattan School of Music (the School)**

<b><u>Bond Issue</u></b>	<b><u>Date of Issuance</u></b>	<b><u>Use of Proceeds</u></b>	<b><u>Status of Bonds</u></b>	<b><u>Credit Enhancement or Liquidity Facility</u></b>	<b><u>Mode</u></b>
\$49,000,000 Revenue Bonds, Series 2000	7/12/2000	Expanded, improved, and rehabilitated certain facilities of the School.	<i>Redeemed</i>	Standby Bond Purchase Agreement with Wachovia Bank	Weekly Rate
\$42,300,000 Refunding Revenue Bonds, Series 2009A	5/13/2009	Refunded the Series 2000 Bonds.	<i>Outstanding</i>	Letter of credit cancelled, bonds now privately placed with Wells Fargo Bank, National Association	Long-Term Rate

**Museum of American Folk Art  
(Formerly Known as the "American Folk Art Museum")**

<b><u>Bond Issue</u></b>	<b><u>Date of Issuance</u></b>	<b><u>Use of Proceeds</u></b>	<b><u>Status of Bonds</u></b>	<b><u>Credit Enhancement or Liquidity Facility</u></b>	<b><u>Mode</u></b>
\$31,865,000 Revenue Bonds, Series 2000	10/19/2000	Expanded, improved, and rehabilitated certain facilities of the Museum.	<i>Redeemed</i>	ACA Financial Guaranty Corporation	Fixed

**International Center of Photography**

<b><u>Bond Issue</u></b>	<b><u>Date of Issuance</u></b>	<b><u>Use of Proceeds</u></b>	<b><u>Status of Bonds</u></b>	<b><u>Credit Enhancement or Liquidity Facility</u></b>	<b><u>Mode</u></b>
\$5,000,000 Revenue Bonds, Series 2000A	3/8/2001	Financed a portion of the construction of the leasehold improvements at 1133 and 1144 Avenue of the Americas, NY	<i>Redeemed</i>	None	Fixed
\$6,000,000 Revenue Bonds, Series 2000B	3/8/2001	Financed a portion of the construction of the leasehold improvements at 1133 and 1144 Avenue of the Americas, NY	<i>Redeemed</i>	None	Fixed
\$8,330,000 Revenue Bonds, Series 2010A	5/7/2010	Paid off a taxable loan that was used on 1/4/2010 to redeem the Series 2000A Bonds and the Series 2000B Bonds.	<i>Outstanding</i>	None	Variable

**Alvin Ailey Dance Foundation**

<b><u>Bond Issue</u></b>	<b><u>Date of Issuance</u></b>	<b><u>Use of Proceeds</u></b>	<b><u>Status of Bonds</u></b>	<b><u>Credit Enhancement or Liquidity Facility</u></b>	<b><u>Mode</u></b>
\$20,000,000 Revenue Bonds, Series 2003	11/6/2003	Paid a portion of the construction and equipping of the Joan Weill Center for Dance	<i>Outstanding</i>	Letter of Credit from Citibank, N.A.	Weekly Rate

**The Pierpont Morgan Library**

<b><u>Bond Issue</u></b>	<b><u>Date of Issuance</u></b>	<b><u>Use of Proceeds</u></b>	<b><u>Status of Bonds</u></b>	<b><u>Credit Enhancement or Liquidity Facility</u></b>	<b><u>Mode</u></b>
\$50,000,000 Revenue Bonds, Series 2004	1/22/2004	Expanded, improved, and rehabilitated 3 historic buildings and integrated 3 new structures in the site.	<i>Outstanding</i>	Letter of Credit from JPMorgan Chase Bank, N.A.	Weekly Rate

**Wildlife Conservation Society**

<b><u>Bond Issue</u></b>	<b><u>Date of Issuance</u></b>	<b><u>Use of Proceeds</u></b>	<b><u>Status of Bonds</u></b>	<b><u>Credit Enhancement or Liquidity Facility</u></b>	<b><u>Mode</u></b>
\$65,530,000 Revenue Bonds, Series 2004	3/11/2004	Constructed, improved, and rehabilitated certain WCS facilities, including the Bronx Zoo and the NY Aquarium.	<i>Outstanding</i>	Financial Guaranty Insurance Company	Fixed

**Lincoln Center for the Performing Arts, Inc.**

<b><u>Bond Issue</u></b>	<b><u>Date of Issuance</u></b>	<b><u>Use of Proceeds</u></b>	<b><u>Status of Bonds</u></b>	<b><u>Credit Enhancement or Liquidity Facility</u></b>	<b><u>Mode</u></b>
\$150,000,000 Revenue Bonds, Series 2006A-1, A-2, and A-3	1/12/2006	Expanded, improved, and rehabilitated certain facilities of the Lincoln Center Campus.	<i>Redeemed</i>	Financial Guaranty Insurance Company	Auction Rate
\$151,250,000 Refunding Revenue Bonds, Series 2008A-1 and A-2	7/17/2008	Refunded all of the Series 2006A Bonds.	<i>Outstanding</i>	Letter of Credit from JP Morgan Chase Bank N.A	Daily Rate
\$100,000,000 Revenue Bonds, Series 2008B-1 and B-2	11/13/2008	Expanded, improved, and rehabilitated certain facilities of the Lincoln Center Campus.	<i>Series 2008B-1 is outstanding. Series 2008B-2 was redeemed</i>	Letter of Credit from US Bank N.A.(Series B - 1) and JP Morgan Chase N.A.(Series B - 2)	Daily Rate on B-1
\$100,000,000 Revenue Bonds, Series 2008C	10/23/2008	Expanded, improved, and rehabilitated certain facilities of the Lincoln Center Campus.	<i>Outstanding</i>	None	Fixed

**New York Public Radio**  
**(Formerly known as WNYC Radio)**

<b><u>Bond Issue</u></b>	<b><u>Date of Issuance</u></b>	<b><u>Use of Proceeds</u></b>	<b><u>Status of Bonds</u></b>	<b><u>Credit Enhancement or Liquidity Facility</u></b>	<b><u>Mode</u></b>
\$23,000,000 Revenue Bonds, Series 2006	3/29/2006	Expanded, improved, equipped, and rehabilitated certain facilities of the Institution.	<i>Outstanding</i>	Letter of Credit from Wachovia Bank, N.A.	Weekly Rate

**School of American Ballet, Inc.**

<b><u>Bond Issue</u></b>	<b><u>Date of Issuance</u></b>	<b><u>Use of Proceeds</u></b>	<b><u>Status of Bonds</u></b>	<b><u>Credit Enhancement or Liquidity Facility</u></b>	<b><u>Mode</u></b>
\$8,600,000 Revenue Bonds, Series 2006	8/6/2006	Expanded, improved, and rehabilitated certain facilities of the Institution and in the Samuel B. & David Rose Building.	<i>Outstanding</i>	Letter of Credit from Wachovia Bank, N.A.	Weekly Rate

**The Juilliard School**

<b><u>Bond Issue</u></b>	<b><u>Date of Issuance</u></b>	<b><u>Use of Proceeds</u></b>	<b><u>Status of Bonds</u></b>	<b><u>Credit Enhancement or Liquidity Facility</u></b>	<b><u>Mode</u></b>
\$160,000,000 Revenue Bonds, Series 2006A-1, A-2, and A-3	8/9/2006	Expanded, improved, and rehabilitated certain facilities of the Institution (the Project).	<i>Redeemed</i>	Ambac Assurance Corp.	Auction Rate
\$124,995,000 Refunding Revenue Bonds, Series 2009A and Series 2009B	4/1/2009	Together with the Series 2009C Bonds repaid a loan from JPMorgan Chase Bank, N.A. which was used to redeem all of the Series 2006A Bonds and paid for the Project.	<i>Outstanding</i>	None	Long-Term
\$70,000,000 Refunding Revenue Bonds, Series 2009C	4/1/2009	Together with the Series 2009A and Series 2009B Bonds repaid a loan from JPMorgan Chase Bank, N.A. which was used to redeem all of the Series 2006A Bonds and paid for the Project.	<i>Outstanding</i>	None	Long-Term

**The Metropolitan Museum of Art**

<b><u>Bond Issue</u></b>	<b><u>Date of Issuance</u></b>	<b><u>Use of Proceeds</u></b>	<b><u>Status of Bonds</u></b>	<b><u>Credit Enhancement or Liquidity Facility</u></b>	<b><u>Mode</u></b>
\$130,000,000 Revenue Bonds, Series 2006A-1 and A-2	12/1/2006	Expanded, improved, and rehabilitated certain facilities of the Institution.	<i>Outstanding</i>	None	Weekly Rate

**Whitney Museum of American Art**

<b><u>Bond Issue</u></b>	<b><u>Date of Issuance</u></b>	<b><u>Use of Proceeds</u></b>	<b><u>Status of Bonds</u></b>	<b><u>Credit Enhancement or Liquidity Facility</u></b>	<b><u>Mode</u></b>
\$125,000,000 Revenue Bonds, Series 2011	8/2/2011	To pay a portion of the new construction and equipping of the main institution in Lower Manhattan.	<i>Outstanding</i>	None	Fixed

*Other* - The Museum of Modern Art, Carnegie Hall, The Solomon R. Guggenheim Foundation, American Museum of Natural History, The New York Botanical Garden, The Asia Society, The Manhattan School of Music, the American Folk Art Museum, International Center of Photography, Alvin Ailey Dance Foundation, the Pierpont Morgan Library, Wildlife Conservation Society, Lincoln Center for the Performing Arts, Inc., New York Public Radio, School of American Ballet, The Juilliard School, The Metropolitan Museum of Art, and Whitney Museum of American Art are obligated to reimburse the Trust for all costs incurred related to issuance of the bonds for their respective projects (to the extent that such costs are not paid from the proceeds of the bonds or from tax equivalency payments) as well as an allocable share of the Trust's administrative expenses, so long as their respective bonds remain outstanding. The American Folk Art Museum is no longer obligated to reimburse the Trust for an allocable share of the Trust's administrative expenses due to the redemption of the bonds issued for its benefit.

#### **4. PAYABLE TO MOMA**

At December 31, 2012 and 2011, the Trust had a non-recourse liability to MOMA of \$170,062,795 and \$169,003,826, respectively. This liability was incurred pursuant to the agreement between MOMA and the Trust, dated November 8, 1979 (the 1979 Agreement). In accordance with the 1979 Agreement, all proceeds of the bonds issued in 1980 and 1984 for construction of the combined-use facility and debt service were expended, and thereafter, MOMA advanced funds to the Trust to complete construction and make debt service payments to the extent that tax equivalency payments received by the Trust from unit owners in the Residential Tower were insufficient. Interest accrued on advances from MOMA at a compound rate of 9% per annum through June 30, 2004. The January 10, 2006 Amendment to the 1979 Agreement between MOMA and the Trust provided that there would be no interest accrued on the amount owed to MOMA during the period from July 1, 2004 through June 30, 2009. Thereafter, interest shall accrue at the Three Year Treasury Rate in effect on July 1 of each year, commencing July 1, 2009. On July 1, 2012, July 1, 2011, July 1, 2010, and July 1, 2009, it was determined that the new interest rates for the non-recourse liability would be 0.39%, 0.85%, 1.01%, and 1.57%, respectively, through June 30, 2013, 2012, 2011, and 2010 in accordance with the Amendment.

At December 31, 2012 and 2011, accrued interest of \$89,064,342 and \$88,005,373, respectively, was included in the aggregate liabilities of \$170,062,795 and \$169,003,826, respectively. During the year ended December 31, 2012 and 2011, the Trust recorded \$1,058,969 and \$1,552,227, respectively, in accrued interest to bonds in compliance with the terms of the repayment agreement. On April 14, 2010, April 2, 2009, February 20, 2008, October 11, 2006, August 1, 2005, November 18, 2004, and June 20, 2003, the Trust reimbursed MOMA \$300,000, \$400,000, \$1,000,000, \$1,085,000, \$2,023,722, \$1,386,300, and \$1,000,000, respectively, in excess TEP receipts to reduce the Trust's accrued obligation to MOMA. However, all amounts payable to MOMA are subordinated to the TEP Bonds and related interest and are special obligations of the Trust, payable by the Trust only from tax equivalency receipts to the extent that such receipts are not required to reimburse Trust administrative costs, make certain payments in lieu of property taxes to The City of New York, and make debt service payments on the TEP Bonds. The amounts owed by the Trust to MOMA are not payable from any other funds or assets of the Trust. The fair value of the payable to MOMA is not readily determinable, as such value depends upon the amount of payments in lieu of property taxes to be received in the future.

#### **5. OUTSTANDING BOND ISSUES**

*The Museum of Modern Art ("MOMA")* - The Trust assisted MOMA in the development of a combined-use facility consisting of expanded and renovated MOMA facilities (the "West Wing Facility") and a 46-story residential tower (the "Residential Tower") consisting of condominium units constructed by a third-party developer (the "Developer") (together, the combined-use facility). The West Wing Facility was financed or refinanced in part by the issuance of revenue bonds by the Trust in 1980, 1984, 1991, 1993, 1996, 2001, and 2012. The combined-use facility was developed using land and development rights originally owned by MOMA. Pursuant to the Trust's enabling legislation, the entire Residential Tower is exempt from real property taxes. However, the Trust collects an amount equal to real property taxes from the condominium unit owners in the Residential Tower. The payments

from the condominium unit owners are referred to as “tax equivalency payments” or “TEPs”. The legislation provides that the Trust shall use TEPs to pay costs of administration allocable to the combined-use facility, to make certain payments in lieu of real property taxes to The City of New York, and to pay principal and interest on the debt incurred to construct the expanded MOMA facilities. Debt service payments on the outstanding revenue bonds of the Trust issued in connection with the West Wing Facility, which consisted of Series 2001A Bonds (refunded by the Series 2012A Bonds on May 31, 2012), the Series 1996A Bonds (refunded by the Series 2012A Bonds on May 31, 2012), and currently the Series 2012A Bonds (the “TEP Bonds”) (see notes 3 and 4), are secured by (a) TEPs, net of certain administrative costs and certain prior payments to The City of New York, (b) certain payments made by MOMA to the Trust, and (c) the funds established under the applicable MOMA bond resolutions, which are held by The Bank of New York Mellon as Trustee. The TEP Bonds are not general obligations of the Trust, but rather are special obligations of the Trust, payable by the Trust solely from TEPs (as described above), certain payments made by MOMA to the Trust, and as otherwise provided in the resolutions with respect to the TEP Bonds. No other funds or assets of the Trust are pledged towards payment of the TEP Bonds.

All costs associated with the MOMA West Wing expansion and renovation construction project have been capitalized. The building is being depreciated using the straight-line method over an estimated useful life of 40 years.

In 1996, MOMA transferred to the Trust certain property adjacent to MOMA, including the Dorset Hotel. Because the Trust’s title to the Dorset Hotel is subject to a reversionary interest to MOMA, the Trust has not capitalized the Dorset Hotel or the smaller contiguous parcel. In 2007, the Trust transferred back to MOMA a portion of such property.

On November 20, 1996, the Trust issued Refunding Revenue Bonds, Series 1996A (The Museum of Modern Art) (the “Series 1996A Bonds”) in the aggregate principal amount of \$28,530,000 and loaned the proceeds thereof to MOMA for the purpose of refunding all of the outstanding Revenue Refunding Bonds issued on August 28, 1991 (the “Series 1991A Bonds”) and a portion of the Revenue Refunding Bonds Series 1993A issued on April 21, 1993 (the “Series 1993A Bonds”), as described in note 3. The Series 1996A Bonds were term bonds with sinking fund requirements starting on January 1, 2013. The original discount of \$1,252,298 and bond issuance costs of \$432,452 were being amortized over the lives of the bonds. The Series 1996A Bonds were special obligations of the Trust payable and secured by loan repayments that the Trust receives from MOMA pursuant to the Payment Agreement, dated as of April 1, 1991, as amended and restated as of November 1, 1996, between the Trust and MOMA, which revenues and payments are pledged under the Revenue Bond Resolution, adopted by the Trust on August 7, 1991, as supplemented by the Series 1996A Resolution, adopted by the Trust on October 23, 1996. No other funds or assets of the Trust were pledged towards payment of such bonds.

The advance refunding resulted in the recognition of a deferred loss of \$1,578,369 for the year ended December 31, 1996. Aggregate debt service payments increased by almost \$15,301,413 over the next 24 years, which resulted in an economic loss (the difference between the present values of the old and new debt service payments) of \$1,942,905. The deferred amount was to be amortized over the remaining life of the old debt.

Payment of the principal and interest on the Series 1996A Bonds was insured by Ambac Assurance Corporation. The Series 1996A Bonds bore interest at fixed rates to the maturity thereof, payable semiannually each January 1 and July 1.

The maturity sinking fund requirements and interest rates of the Series 1996A TEP Bonds were as follows:

<b>Series 1996A Bonds</b>		
<b>Sinking fund Redemption</b>	<b>Issued Amount</b>	<b>Interest Rate</b>
January 1, 2013 * (Refunded) \$	1,790,000	5.50 %
January 1, 2014 * (Refunded)	2,070,000	5.50
January 1, 2015 * (Refunded)	2,375,000	5.50
January 1, 2016 * (Refunded)	2,710,000	5.50
January 1, 2017 * (Refunded)	3,070,000	5.50
January 1, 2018 * (Refunded)	3,460,000	5.50
January 1, 2019 * (Refunded)	3,880,000	5.50
January 1, 2020 * (Refunded)	4,340,000	5.50
January 1, 2021 * (Refunded)	4,835,000	5.50
	<u>\$ 28,530,000</u>	

\* On May 31, 2012, the Series 1996A Bonds were fully redeemed with the proceeds of the Series 2012A Bond issue.

At December 31, 2012 and 2011, \$0 and \$28,530,000, respectively, of the Series 1996A Bonds remained outstanding.

On December 13, 2001, the Trust issued Refunding Revenue Bonds, Series 2001A (The Museum of Modern Art) (the "Series 2001A Bonds") in the aggregate principal amount of \$23,090,000 and loaned the proceeds thereof to MOMA for the purpose of refunding the remaining outstanding Series 1993A Bonds issued on April 21, 1993, as described in note 3. The Series 2001A Bonds consisted of serial bonds, which began maturing in April 2008 and a term bond with sinking fund requirements starting on April 1, 2022. The original bond premium of \$70,631 and bond issuance costs of \$354,285 were being amortized over the life of the Series 2001A Bonds. The Series 2001A Bonds were special obligations of the Trust payable and secured by loan repayments that the Trust receives from MOMA pursuant to the Amended and Restated Payment Agreement, dated as of April 1, 1991, as amended and restated as of December 1, 2001, between the Trust and MOMA, which revenues and payments were pledged under the Revenue Bond Resolution, adopted by the Trust on August 7, 1991, as supplemented by the Series 2001A Resolution, adopted by the Trust on November 15, 2001. No other funds or assets of the Trust were pledged towards payment of such bonds.

The advanced refunding resulted in the recognition of a deferred loss of \$1,425,100 for the year ended December 31, 2001. Aggregate debt service payments increased by \$11,022,687 over the next 21 years, which resulted in an economic loss (the difference between the present values of the old and new debt service payments) of \$421,153. The deferred amount was being amortized over the remaining life of the old debt.

Payment of the principal and interest on the Series 2001A Bonds were insured by Ambac Assurance Corporation. The Series 2001A Bonds bore interest at fixed rates to the maturity thereof, payable semiannually each April 1 and October 1.

The maturity and sinking fund requirements and interest rates of the Series 2001A TEP Bonds were as follows:

<b>Series 2001A Bonds</b>		
<b>Sinking fund Redemption</b>	<b>Issued Amount</b>	<b>Interest Rate</b>
April 1, 2008 (Paid)	\$ 600,000	4.000%
April 1, 2009 (Paid)	1,000,000	4.125
April 1, 2010 (Paid)	1,400,000	5.000
April 1, 2011 (Paid)	1,800,000	5.000
April 1, 2012 (Paid)	2,200,000	5.000
April 1, 2013 * (Refunded)	1,325,000	5.000
April 1, 2014 * (Refunded)	1,210,000	5.000
April 1, 2015 * (Refunded)	1,080,000	5.000
April 1, 2016 * (Refunded)	930,000	5.000
April 1, 2017 * (Refunded)	765,000	5.000
April 1, 2018 * (Refunded)	580,000	5.000
April 1, 2019 * (Refunded)	-	-
April 1, 2020 * (Refunded)	-	-
April 1, 2021 * (Refunded)	-	-
April 1, 2022 * (Refunded)	4,975,000	5.000
April 1, 2023 * (Refunded)	<u>5,225,000</u>	5.000
	<u>\$23,090,000</u>	

\* On May 31, 2012, the Series 2001A Bonds were fully redeemed with the proceeds of the Series 2012A Bond issue.

At December 31, 2012 and 2011, \$0 and \$18,290,000, respectively, of the Series 2001A Bonds remained outstanding.

On December 13, 2001, the Trust issued Revenue Bonds, Series 2001-One-D (The Museum of Modern Art) (the "Series 2001-One-D Bonds") in the aggregate principal amount of \$100,000,000 and loaned the proceeds thereof to MOMA for the purpose of funding a portion of the costs of the expansion and renovation of MOMA's main facility, and of the acquisition, construction, equipping, and renovation of an art storage and study facility in Queens, New York, as described in note 3. The Series 2001-One-D Bonds were term bonds with sinking fund requirements starting on July 1, 2024. The original bond discount and bond issuance costs were \$1,870,000 and \$1,812,639, respectively. The Series 2001-One-D Bonds were special obligations of the Trust payable and secured by loan repayments that the Trust receives from MOMA pursuant to the Loan Agreement, dated as of December 1, 2001, between the Trust and MOMA, which revenues and payments are pledged under the Revenue Bond Resolution adopted by the Trust on October 23, 1996 as amended and supplemented by the Series 2001-One-Resolution adopted by the Trust on November 15, 2001. No other funds or assets of the Trust were pledged towards payment of such bonds.

Payment of principal and interest on the Series 2001-One-D Bonds were insured by Ambac Assurance Corporation. The Series 2001-One-D Bonds bore interest at fixed rates to the maturity thereof, payable semiannually each January 1 and July 1.

The sinking fund requirements and interest rate of the Series 2001-One-D Bond were as follows:

<b>Series 2001-One-D Bonds</b>		
<b>Sinking fund Redemption</b>	<b>Issued Amount</b>	<b>Interest Rate</b>
July 1, 2024 *(Refunded)	\$ 10,435,000	5.125%
July 1, 2025 *(Refunded)	10,965,000	5.125
July 1, 2026 *(Refunded)	11,515,000	5.125
July 1, 2027 *(Refunded)	12,115,000	5.125
July 1, 2028 *(Refunded)	12,740,000	5.125
July 1, 2029 *(Refunded)	13,375,000	5.125
July 1, 2030 *(Refunded)	14,070,000	5.125
July 1, 2031 *(Refunded)	14,785,000	5.125
	<u>\$ 100,000,000</u>	

\* On July 1, 2012, the Series 2001-One-D Bonds were fully redeemed with the proceeds of the Series 2012-One-D Bond issue and a loan by Goldman Sachs Bank.

At December 31, 2012 and 2011, \$0 and \$100,000,000, respectively, of the Series 2001-One-D Bonds remained outstanding.

On July 23, 2008, the Trust issued Refunding Revenue Bonds, Series 2008-One-A (The Museum of Modern Art) (the "Series 2008-One-A Bonds") in the aggregate principal amount of \$195,035,000 and loaned the proceeds thereof to MOMA for the purpose of refunding all of the outstanding Series 2000-One Revenue Bonds and Series 2001-One Revenue Bonds, except the Series 2001-One-D Bonds as described in note 3. The Series 2008-One-A Bonds are composed of \$25,000,000 in Mandatory Tender Bonds, \$106,780,000 in Serial Bonds, and \$63,255,000 in Term Bonds. The original issue bond premium is \$7,485,188. The Series 2008-One-A Bonds are special obligations of the Trust payable and secured by loan repayments that the Trust receives from MOMA pursuant to a Loan Agreement, dated as of July 1, 2008, between MOMA and the Trust, which revenues and payments are pledged under the Revenue Bond Resolution adopted by the Trust on June 26, 2008. No other funds or assets of the Trust are pledged towards payment of such bonds.

The Series 2008-One-A Bonds were issued without credit enhancement or liquidity support. The Series 2008-One-A Bonds bear interest at fixed rates and interest is payable (other than the bonds maturing on August 1, 2010 (the Mandatory Tender Bonds)) each April 1 and October 1. Interest on the Mandatory Tender Bonds was payable each February 1 and August 1.

The maturity and sinking fund requirements and interest rates of the Series 2008-One-A Bonds are as follows:

<b>Series 2008-One-A Bonds</b>		
<b>Maturity Dates/ Sinking Fund Requirements</b>	<b>Issued Amount</b>	<b>Interest Rate</b>
August 1, 2010	\$ 25,000,000 * \$250,000 Cancelled ** (Refunded)	4.00 / 2.5%
October 1, 2010	39,210,000 ** (Refunded)	5.00
April 1, 2025	15,885,000	5.00
April 1, 2026	16,565,000	5.00
April 1, 2027	17,225,000	5.00
April 1, 2028	17,895,000	5.00
April 1, 2029	18,620,000	5.00
April 1, 2030	19,380,000	5.00
April 1, 2031	<u>25,255,000</u>	5.00
	<u>\$ 195,035,000</u>	

\* On August 3, 2009, \$25,000,000 of the Mandatory Tender Bonds were tendered and remarketed to bear interest at a new rate of 2.50% until their maturity on August 1, 2010. Such Bonds were remarketed at a premium and \$250,000 of the premium was used to purchase and cancel \$250,000 of the aggregate principal amount of such bonds.

\*\* On August 1, 2010 and October 1, 2010, the Mandatory Tender Bonds and the Serial Bonds were redeemed with the proceeds of the Series 2010-One-A Bond issue.

At December 31, 2012 and 2011, \$130,825,000 of the Series 2008-One-A Bonds remained outstanding.

On July 29, 2010, the Trust issued Refunding Revenue Bonds, Series 2010-One-A (The Museum of Modern Art) (the "Series 2010-One-A Bonds") in the principal amount of \$55,285,000 and loaned the proceeds thereof to MOMA for the purpose of refunding a portion of the Series 2008-One-A Revenue Bonds, as described in note 3. The original issue bond premium and the bond issue costs are \$9,297,831 and \$432,882, respectively. The Series 2010-One-A Bonds are special obligations of the Trust payable and secured by loan repayments that the Trust receives from MOMA pursuant to a Loan Agreement, dated as of July 1, 2008, between MOMA and the Trust, which revenues and payments are pledged under the Revenue Bond Resolution as amended and supplemented, adopted by the Trust on June 26, 2008. No other funds or assets of the Trust are pledged towards payment of such bonds.

The Series 2010-One-A Bonds were issued without credit enhancement or liquidity support. The Series 2010-One-A Bonds bear interest at fixed rates and interest is payable each April 1 and October 1, commencing April 1, 2011.

The maturity date and interest rate of the Series 2010-One-A Bonds is as follows:

<b>Series 2010-One-A Bonds</b>		
<b>Maturity Date</b>	<b>Issued Amount</b>	<b>Interest Rate</b>
October 1, 2017	\$ 55,285,000	5.00%

At December 31, 2012 and 2011, \$55,285,000 of the Series 2010-One-A Bonds remained outstanding.

On May 1, 2012, the Trust issued Refunding Revenue Bonds, Series 2012A (The Museum of Modern Art) (the "Series 2012A Bonds") in the aggregate principal amount of \$38,360,000 and loaned the proceeds thereof to MOMA for the purpose of refunding the remaining outstanding Series 1996A Bonds issued on November 20, 1996 and the remaining outstanding Series 2001A Bonds, issued on December 13, 2001, as described in note 3. The Series 2012A Bonds consist of serial bonds, which begin maturing in April 2013. The original bond premium of \$6,430,918 is being amortized over the life of the Series 2012A Bonds and the bond issuance cost of \$317,888 is fully expensed. The Series 2012A Bonds are special obligations of the Trust payable and secured by TEPs (net of certain administrative costs and certain prior payments to the City of New York) and by payments that the Trust receives from MOMA pursuant to the 1979 agreement between the Trust and MOMA as amended by the January 10, 2006 Amendment to the 1979 agreement, which TEPs and payments were pledged. No other funds or assets of the Trust are pledged towards payment of such bonds.

The advanced refunding resulted in the recognition of a deferred loss of \$1,187,094 for the year ended December 31, 2012. The deferred amount is being amortized over the remaining life of the new debt. Aggregate debt service payments decreased by \$8,011,221 over the next 11 years.

The Series 2012A Bonds bear interest at fixed rates to the maturity thereof, payable each April 1 and October 1.

The maturity and sinking fund requirements and interest rates of the Series 2012A TEP Bonds are as follows:

<b>Series 2012A Bonds</b>				
<b>Sinking fund Redemption</b>		<b>Issued Amount</b>	<b>Interest Rate</b>	
April 1, 2013	\$	2,980,000	2.00	%
April 1, 2014		2,900,000	4.00	
April 1, 2015		3,015,000	5.00	
April 1, 2016		3,165,000	5.00	
April 1, 2017		3,325,000	5.00	
April 1, 2018		3,490,000	4.00	
April 1, 2019		3,250,000	5.00	
April 1, 2020		3,660,000	5.00	
April 1, 2021		4,095,000	4.00	
April 1, 2022		4,135,000	5.00	
April 1, 2023		4,345,000	5.00	
		<u>\$ 38,360,000</u>		

At December 31, 2012 and 2011, \$38,360,000 and \$0, respectively, of the Series 2012A Bonds remained outstanding.

On May 1, 2012 the Trust issued Refunding Revenue Bonds, Series 2012-One-D (The Museum of Modern Art) (the "Series 2012-One-D Bonds") in the principal amount of \$52,545,000 and loaned the proceeds thereof to MOMA, in addition to a loan to MOMA from Goldman Sachs, for the purpose of refunding the outstanding balance of the Series 2001-One-D Revenue Bonds, as described in note 3. The original issue bond premium and the bond issue costs are \$7,434,592 and \$745,263, respectively. The Series 2012-One-D Bonds are special obligations of the Trust payable and secured by loan repayments that the Trust receives from MOMA pursuant to a Loan Agreement, dated as of July 1, 2008, between MOMA and the Trust, which revenues and payments are pledged under the Revenue Bond Resolution as amended and supplemented, adopted by the Trust on June 26, 2008. No other funds or assets of the Trust are pledged towards payment of such bonds.

The Series 2012-One-D Bonds bear interest at fixed rates to the maturity thereof, payable each February 1 and August 1.

The maturity date and interest rate of the Series 2012-One-D Bonds is as follows:

<b>Series 2012-One-D Bonds</b>		
<b>Maturity Date</b>	<b>Issued Amount</b>	<b>Interest Rate</b>
August 1, 2017	\$ <u>52,545,000</u>	4.00%

At December 31, 2012 and 2011, \$52,545,000 and \$0, respectively, of the Series 2012-One-D Bonds remained outstanding.

**Carnegie Hall** - On December 3, 2009, the Trust issued Refunding Revenue Bonds, Series 2009A (Carnegie Hall) (the "Series 2009A Bonds") in the aggregate principal amount of \$110,000,000 and loaned the proceeds thereof to The Carnegie Hall Corporation and The Carnegie Hall Society, Inc. (collectively, "Carnegie Hall") for the purpose of refunding the Series 2002 Revenue Bonds, to finance a portion of the costs of the construction, furnishing, improvement, and rehabilitation of facilities operated by Carnegie Hall, and to pay the costs of issuance and a portion of the capitalized interest of the Series 2009A Bonds as described in note 3. The original issue discount is \$230,618. The Series 2009A Bonds are special obligations of the Trust payable and secured by loan repayments that the Trust receives from Carnegie Hall pursuant to the Loan Agreement, dated as of December 1, 2009, between the Trust and Carnegie Hall, which revenues and payments are pledged under the Revenue Bond Resolution adopted by the Trust on November 16, 2009. No other funds or assets of the Trust are pledged towards payment of such bonds.

The Series 2009A Bonds were issued without credit enhancement or liquidity support. The Series 2009A Bonds bear interest at fixed rates and interest is payable every June 1 and December 1, commencing June 1, 2010.

The maturity and sinking fund redemption dates of the Series 2009A Bonds are as follows:

<b>Series 2009A Bonds</b>		
<b>Sinking fund Installment</b>	<b>Issued Amount @ 5.00%</b>	<b>Issued Amount @ 4.75%</b>
December 1, 2025	\$ 3,560,000	\$ 1,610,000
December 1, 2026	3,730,000	1,695,000
December 1, 2027	3,920,000	1,775,000
December 1, 2028	4,110,000	1,865,000
December 1, 2029	4,310,000	1,960,000
December 1, 2030	4,975,000	1,600,000
December 1, 2031	5,220,000	1,680,000
December 1, 2032	5,385,000	1,750,000
December 1, 2033	5,650,000	1,840,000
December 1, 2034	5,925,000	1,930,000
December 1, 2035	6,220,000	2,025,000
December 1, 2036	6,525,000	2,130,000
December 1, 2037	6,845,000	2,235,000
December 1, 2038	7,185,000	2,345,000
December 1, 2039	7,535,000	2,465,000
	<u>\$ 81,095,000</u>	<u>\$ 28,905,000</u>

At December 31, 2012 and 2011, \$110,000,000 of the Series 2009A Bonds remained outstanding.

**The Solomon R. Guggenheim Foundation (the "Foundation")** - On August 22, 1990, the Trust issued Revenue Bonds, Series 1990B (The Solomon R. Guggenheim Foundation) (the "Series 1990B Bonds") in the aggregate principal amount of \$41,400,000 and loaned the proceeds thereof to the Foundation to finance project development and related costs as described in note 3. The Series 1990B Bonds are special obligations of the Trust payable and secured by loan repayments that the Trust receives from the Foundation pursuant to the Loan Agreement, dated as of August 1, 1990, between the Trust and the Foundation, which revenues and payments are pledged under the Revenue Bond Resolution adopted by the Trust on August 15, 1990. No other funds or assets of the Trust are pledged towards payment of such bonds.

Payment of principal and interest on the Series 1990B Bonds is secured by an irrevocable direct pay Letter of Credit issued by Bank of America, N.A., expiring on January 31, 2014. Interest on the Series 1990B Bonds is payable on the first day of each month. The interest rate on the Series 1990B Bonds is established by the remarketing agent, Bank of America Securities LLC, on a daily basis not to exceed 10% per annum. The average rate for the years ended December 31, 2012 and 2011 was 0.20% and 0.21%, respectively, and the interest rate in effect at December 31, 2012 and 2011 was 0.12% and 0.10%, respectively. The Foundation may choose to change the rate period from a daily period to a weekly, monthly, quarterly, money market, variable-term, semiannual, or medium-term period. The Solomon R. Guggenheim Foundation may also choose to establish a fixed rate, after which no further changes to the rate are permitted. Upon conversion to fixed rates, the maturities of the Series 1990B Bonds will be shortened pursuant to the terms and provisions of the Series 1990B Revenue Bond Resolution.

There are provisions in the Series 1990B Revenue Bond Resolution that permit the bondholders to tender their Series 1990B Bonds for purchase at various times. Series 1990B Bonds so tendered will be resold by the remarketing agent. If the remarketing agent is unable to resell the Series 1990B Bonds, they will either be purchased with funds provided under the letter of credit or purchased by The Solomon R. Guggenheim Foundation (in which case they may be canceled by the Trustee). If the letter of credit issued by Bank of America, N.A. (as described in note 3) is not renewed or replaced with another letter of credit prior to its expiration on January 31, 2014, then the Series 1990B Bonds are subject to mandatory tender prior to the expiration of the letter of credit (unless no letter of credit is required under the Series 1990B Revenue Bond Resolution).

The maturity and sinking fund redemption dates of the Series 1990B Bonds are as follows:

<b><u>Series 1990B Bonds</u></b>	
<b><u>Sinking fund Redemption</u></b>	<b><u>Issued Amount</u></b>
December 1, 1993 (Paid)	\$ 1,300,000
December 1, 1994 (Paid)	1,300,000
December 1, 1995 (Paid)	1,400,000
December 1, 1996 (Paid)	1,500,000
December 1, 1997 (Paid)	1,600,000
December 1, 1998 (Paid)	1,700,000
December 1, 1999 (Paid)	1,800,000
December 1, 2000 (Paid)	2,000,000
December 1, 2001 (Paid)	1,200,000
December 1, 2002 (Paid)	1,300,000
December 1, 2003 (Paid)	1,400,000
December 1, 2004 (Paid)	1,400,000
December 1, 2005 (Paid)	1,500,000
December 1, 2006 (Paid)	1,600,000
December 1, 2007 (Paid)	1,700,000
December 1, 2008 (Paid)	1,900,000
December 1, 2009 (Paid)	2,000,000
December 1, 2010 (Paid)	2,100,000
December 1, 2011 (Paid)	2,200,000
December 1, 2012 (Paid)	2,400,000
December 1, 2013	2,500,000
December 1, 2014	2,700,000
December 1, 2015	<u>2,900,000</u>
	<u>\$ 41,400,000</u>

At December 31, 2012 and 2011, \$8,100,000 and \$10,500,000, respectively, of the Series 1990B Bonds remained outstanding.

*American Museum of Natural History (“AMNH”)* - On June 3, 2004, the Trust issued Refunding Revenue Bonds, Series 2004A (American Museum of Natural History) (the “Series 2004A Bonds”) in the aggregate principal amount of \$79,360,000 and loaned the proceeds thereof to AMNH to advance refund the Series 1999A Bonds, as described in note 3. The Series 2004A Bonds have sinking fund requirements starting on July 1, 2031. The original issue discount is \$674,232. The Series 2004A Bonds are special obligations of the Trust payable and secured by loan repayments that the Trust receives from AMNH pursuant to the Loan Agreement, dated as of April 1, 2004, between the Trust and AMNH, which revenues and payments are pledged under the 1991 General Resolution, adopted by the Trust on April 30, 1991, as amended and supplemented by the 2004A Series Resolution adopted by the Trust on April 28, 2004. No other funds or assets of the Trust are pledged towards the payment of such bonds.

Payment of the principal and interest on the Series 2004A Bonds is insured by MBIA Insurance Corp. The Series 2004A Bonds bear interest at fixed rates to the maturity thereof, payable every January 1 and July 1.

The maturity and sinking fund redemption dates of the Series 2004A Bonds are as follows:

**Series 2004A Bonds**

<b><u>Sinking fund Redemption</u></b>	<b><u>Issued Amount</u></b>	<b><u>Interest Rate</u></b>
July 1, 2031	\$ 4,125,000	5.00%
July 1, 2032	5,215,000	5.00
July 1, 2033	5,475,000	5.00
July 1, 2034	5,755,000	5.00
July 1, 2035	4,650,000	5.00
July 1, 2036	4,890,000	5.00
July 1, 2037	5,135,000	5.00
July 1, 2038	5,390,000	5.00
July 1, 2039	5,675,000	5.00
July 1, 2040	5,975,000	5.00
July 1, 2041	6,250,000	5.00
July 1, 2042	6,595,000	5.00
July 1, 2043	6,940,000	5.00
July 1, 2044	<u>7,290,000</u>	5.00
	<u>\$ 79,360,000</u>	

At December 31, 2012 and 2011, \$79,360,000 of the Series 2004A Bonds remained outstanding.

On June 24, 2008, the Trust issued Refunding Revenue Bonds, Series 2008A-1 and Series 2008A-2 (American Museum of Natural History) (the “Series 2008A Bonds”) in the aggregate principal amount of \$78,580,000 and loaned the proceeds thereof to AMNH for the purpose of defeasing the Series 2004B Bonds and the Series 2004C Bonds, and to repay a short-term taxable loan which was used to refund the Series 2007A Bonds, as described in note 3. The Series 2008A Bonds are special obligations of the Trust payable and secured by loan repayments that the Trust receives from AMNH pursuant to the Loan Agreement, dated as of June 1, 2008, between the Trust and AMNH, which revenues and payments are pledged under the General Resolution as amended and supplemented by the Series 2008A Resolution, adopted by the Trust on April 22, 2008. No other funds or assets of the Trust are pledged towards the payment of such bonds.

Payment of the purchase price on the Series 2008A-1 Bonds tendered or deemed tendered for purchase and not remarketed is secured by a Standby Bond Purchase Agreement between AMNH and Bank of America, N.A., expiring on June 22, 2012. On June 7, 2012, a new Standby Bond Purchase Agreement between AMNH and JPMorgan Chase Bank N.A. was executed with an expiration date of June 6, 2013. The Series 2008A -1 Bonds bear interest at a daily rate until converted to another interest rate period. Interest on the Series 2008A-1 Bonds is established by the remarketing agent, Morgan Stanley & Co. LLC (Morgan Stanley), and payable on the first business day of each calendar month. So long as the Standby Bond Purchase Agreement is in effect, the daily interest rate may not exceed 15% per annum. The average interest rate for the years ended December 31, 2012 and 2011 was 0.17% and 0.13%, respectively, and the interest rate in effect at December 31, 2012 and 2011 was 0.14% and 0.08%, respectively.

There are provisions in the Series 2008A Bond Resolution that permit or require bondholders to tender their Series 2008A-1 Bonds for purchase at various times. Series 2008A-1 Bonds so tendered will be resold by Morgan Stanley. If Morgan Stanley is unable to resell the Series 2008A-1 Bonds, they will be purchased by JPMorgan Chase, N.A. pursuant to a Standby Bond Purchase Agreement expiring June 6, 2013, unless terminated or suspended earlier or extended pursuant to its terms.

The maturity and sinking fund redemption dates of the Series 2008A-1 Bonds are as follows:

<b>Series 2008A-1 Bonds</b>	
<b>Sinking fund Redemption</b>	<b>Issued Amount</b>
April 1, 2016	\$ 320,000
April 1, 2017	1,830,000
April 1, 2018	1,910,000
April 1, 2019	2,000,000
April 1, 2020	2,115,000
April 1, 2021	2,195,000
April 1, 2022	4,280,000
April 1, 2023	4,480,000
April 1, 2024	4,690,000
April 1, 2025	4,915,000
April 1, 2026	5,160,000
April 1, 2027	<u>5,395,000</u>
	<u>\$ 39,290,000</u>

At December 31, 2012 and 2011, \$39,290,000 of the Series 2008A-1 Refunding Revenue Bonds remained outstanding.

Payment of the purchase price on the Series 2008A-2 Bonds tendered or deemed tendered for purchase and not remarketed is secured by a Standby Purchase Agreement between AMNH and Bank of America, N.A., expiring on June 22, 2012. On June 7, 2012, a new Standby Bond Purchase Agreement between AMNH and JPMorgan Chase N.A. was executed with an expiration date of June 6, 2013. The Series 2008A-2 Bonds bear interest at a daily rate until converted to another interest rate period. Interest on the Series 2008A-2 Bonds is established by the remarketing agent, JP Morgan Securities LLC, and payable on the first business day of each calendar month. So long as the Standby Bond Purchase Agreement is in effect, the daily interest rate may not exceed 15% per annum. The average interest rate for the years ended December 31, 2012 and 2011 was 0.16% and 0.13%, respectively, and the interest rate in effect at December 31, 2012 and 2011 was 0.12% and 0.11%, respectively.

There are provisions in the Series 2008A Bond Resolution that permit or require bondholders to tender their Series 2008A-2 Bonds for purchase at various times. Series 2008A-2 Bonds so tendered will be resold by JP Morgan Securities LLC. If JP Morgan Securities LLC is unable to resell the Series 2008A-2 Bonds, they will be purchased by JP Morgan Securities LLC pursuant to a Standby Bond Purchase Agreement expiring June 6, 2013, unless terminated or suspended earlier or extended pursuant to its terms.

The maturity and sinking fund redemption dates of the Series 2008A-2 Bonds are as follows:

<b><u>Series 2008A-2 Bonds</u></b>	
<b>Sinking fund Redemption</b>	<b>Issued Amount</b>
April 1, 2016	\$ 325,000
April 1, 2017	1,830,000
April 1, 2018	1,905,000
April 1, 2019	1,995,000
April 1, 2020	2,120,000
April 1, 2021	2,190,000
April 1, 2022	4,280,000
April 1, 2023	4,475,000
April 1, 2024	4,690,000
April 1, 2025	4,920,000
April 1, 2026	5,165,000
April 1, 2027	<u>5,395,000</u>
	<u>\$ 39,290,000</u>

At December 31, 2012 and 2011, \$39,290,000 of the Series 2008A-2 Bonds remained outstanding.

On June 24, 2008, the Trust issued Refunding Revenue Bonds, Series 2008B-1, Series 2008B-2, and Series 2008B-3 (American Museum of Natural History) (the "Series 2008B Bonds") in the aggregate principal amount of \$96,050,000 and loaned the proceeds thereof to AMNH for the purpose of defeasing the Series 2004B Bonds and the Series 2004C Bonds, and to repay a short-term taxable loan which was used to refund the Series 2007A Bonds, as described in note 3. The Series 2008B Bonds are special obligations of the Trust payable and secured by loan repayments that the Trust receives from AMNH pursuant to the Loan Agreement, dated as of June 1, 2008, between the Trust and AMNH, which revenues and payments are pledged under the General Resolution as amended and supplemented by the Series 2008B Resolution, adopted by the Trust on April 22, 2008. No other funds or assets of the Trust are pledged towards the payment of such bonds.

Payment of the purchase price on the Series 2008B-1 Bonds tendered or deemed tendered for purchase and remarketed is secured by a Standby Purchase Agreement between AMNH and Wells Fargo Bank, N.A. (as successor in interest by merger to Wachovia Bank, N.A.), expiring on June 22, 2012. On June 7, 2012, a new Standby Bond Purchase Agreement between AMNH and U.S. Bank, N.A. was executed with an expiration date of June 6, 2013. The Series 2008B-1 Bonds bear interest at a weekly rate until converted to another interest rate period. Interest on the Series 2008B-1 Bonds is established by the remarketing agent, US Bancorp Investments, Inc. and U.S. Bank Municipal Securities, and payable on the first business day of each calendar month. So long as the Standby Bond Purchase Agreement is in effect, the daily interest rate may not exceed 15% per annum. The average interest rate for the years ended December 31, 2012 and 2011 was 0.13% and 0.13%, respectively, and the interest rate in effect at December 31, 2012 and 2011 was 0.10% and 0.04%, respectively.

There are provisions in the Series 2008B Bond Resolution that permit or require bondholders to tender their Series 2008B-1 Bonds for purchase at various times. Series 2008B-1 Bonds so tendered will be resold by U.S. Bank, N.A. If U.S. Bank, N.A. is unable to resell the Series 2008B-1 Bonds, they will be purchased by U.S. Bank, N.A. pursuant to a Standby Bond Purchase Agreement expiring June 6, 2013, unless terminated or suspended earlier or extended pursuant to its terms.

The maturity and sinking fund redemption dates of the Series 2008B-1 Bonds are as follows:

<b><u>Series 2008B-1 Bonds</u></b>	
<b><u>Sinking fund Redemption</u></b>	<b><u>Issued Amount</u></b>
April 1, 2029	\$ 1,320,000
April 1, 2030	7,415,000
April 1, 2031	3,550,000
April 1, 2032	2,775,000
April 1, 2033	2,910,000
April 1, 2034	2,515,000
April 1, 2035	2,320,000
April 1, 2036	2,435,000
April 1, 2037	2,555,000
April 1, 2038	2,675,000
April 1, 2039	2,795,000
April 1, 2040	2,945,000
April 1, 2041	3,120,000
April 1, 2042	3,220,000
April 1, 2043	3,370,000
April 1, 2044	<u>3,570,000</u>
	<b>\$ <u>49,490,000</u></b>

At December 31, 2012 and 2011, \$49,490,000 of the Series 2008B-1 Bonds remained outstanding.

Payment of the purchase price on the Series 2008B-2 Bonds tendered or deemed tendered for purchase and not remarketed is secured by a Standby Purchase Agreement between AMNH and Wells Fargo Bank, N.A. (as successor in interest by merger to Wachovia Bank, N.A.), expiring on June 6, 2013. The Series 2008B-2 Bonds bear interest at a weekly rate until converted to another interest rate period. Interest on the Series 2008B-2 Bonds is established by the remarketing agent, Wells Fargo Bank, N.A. (as successor in interest by merger to Wachovia Bank, N.A.), and payable on the first business day of each calendar month. So long as the Standby Bond Purchase Agreement is in effect, the daily interest rate may not exceed 15% per annum. The average interest rate for the years ended December 31, 2012 and 2011 was 0.13% and 0.13%, respectively, and the interest rate in effect at December 31, 2012 and 2011 was 0.11% and 0.04%, respectively.

There are provisions in the Series 2008B Bond Resolution that permit or require bondholders to tender their Series 2008B-2 Bonds for purchase at various times. Series 2008B-2 Bonds so tendered will be resold by Wells Fargo Bank, N.A. (as successor in interest by merger to Wachovia Bank, N.A.). If Wells Fargo Bank, N.A. (as successor in interest by merger to Wachovia Bank, N.A.) is unable to resell the Series 2008B-2 Bonds, they will be purchased by Wells Fargo Bank, N.A. (as successor in interest by merger to Wachovia Bank, N.A.) pursuant to a Standby Bond Purchase Agreement expiring June 6, 2013, unless terminated or suspended earlier or extended pursuant to its terms.

The maturity and sinking fund redemption dates of the Series 2008B-2 Bonds are as follows:

<u>Series 2008B-2 Bonds</u>	
<u>Sinking fund Redemption</u>	<u>Issued Amount</u>
April 1, 2034	\$ 450,000
April 1, 2035	2,025,000
April 1, 2036	2,100,000
April 1, 2037	2,225,000
April 1, 2038	2,325,000
April 1, 2039	2,425,000
April 1, 2040	2,500,000
April 1, 2041	2,600,000
April 1, 2042	2,750,000
April 1, 2043	2,850,000
April 1, 2044	<u>2,975,000</u>
	\$ <u>25,225,000</u>

At December 31, 2012 and 2011, \$25,225,000 of the Series 2008B-2 Bonds remained outstanding.

Payment of the purchase price on the Series 2008B-3 Bonds tendered or deemed tendered for purchase and not remarketed is secured by a Standby Purchase Agreement between AMNH and Wells Fargo Bank, N.A. (as successor in interest by merger to Wachovia Bank, N.A.), expiring on June 6, 2013. The Series 2008B-3 Bonds bear interest at a weekly rate until converted to another interest rate period. Interest on the Series 2008B-3 Bonds is established by the remarketing agent, Wells Fargo Bank, N.A. (as successor in interest by merger to Wachovia Bank, N.A.), and payable on the first business day of each calendar month. So long as the Standby Bond Purchase Agreement is in effect, the daily interest rate may not exceed 15% per annum. The average interest rate for the years ended December 31, 2012 and 2011 was 0.13% and 0.13%, respectively, and the interest rate in effect at December 31, 2012 and 2011 was 0.11 % and 0.04%, respectively.

There are provisions in the Series 2008B Bond Resolution that permit or require bondholders to tender their Series 2008B-3 Bonds for purchase at various times. Series 2008B-3 Bonds so tendered will be resold by Wells Fargo Bank, N.A. (as successor in interest by merger to Wachovia Bank, N.A.). If Wells Fargo Bank, N.A. (as successor in interest by merger to Wachovia Bank, N.A.) is unable to resell the Series 2008B-3 Bonds, they will be purchased by Wells Fargo Bank, N.A. (as successor in interest by merger to Wachovia Bank, N.A.) pursuant to a Standby Bond Purchase Agreement expiring June 6, 2013, unless terminated or suspended earlier or extended pursuant to its terms.

The maturity and sinking fund redemption dates of the Series 2008B-3 Bonds are as follows:

<b><u>Series 2008B-3 Bonds</u></b>	
<b>Sinking fund Redemption</b>	<b>Issued Amount</b>
April 1, 2011 (Paid)\$	1,160,000
April 1, 2012 (Paid)	1,185,000
April 1, 2013	1,205,000
April 1, 2014	1,205,000
April 1, 2015	1,250,000
April 1, 2016	1,245,000
April 1, 2017	300,000
April 1, 2018	300,000
April 1, 2019	300,000
April 1, 2020	300,000
April 1, 2021	300,000
April 1, 2022	-
April 1, 2023	-
April 1, 2024	-
April 1, 2025	-
April 1, 2026	-
April 1, 2027	-
April 1, 2028	6,790,000
April 1, 2029	<u>5,795,000</u>
	<u>\$ 21,335,000</u>

At December 31, 2012 and 2011, \$18,990,000 and \$20,175,000, respectively, of the Series 2008B-3 Bonds remained outstanding.

On July 10, 2009, the Trust issued Refunding Revenue Bonds, Series 2009A (American Museum of Natural History) (the "Series 2009A Bonds") in the aggregate principal amount of \$17,940,000 and loaned the proceeds thereof to AMNH to current refund the outstanding balance of the Series 1993A Bonds, to pay the related termination payments of the interest rate swap agreement, and to pay a portion of the costs of issuance of the Series 2009A Bonds, as described in note 3. The Series 2009A Bonds have sinking fund requirements starting on April 1, 2014. The original issue premium is \$1,698,830. The Series 2009A Bonds are special obligations of the Trust payable and secured by loan repayments that the Trust receives from AMNH pursuant to the Loan Agreement, dated as of June 1, 2008, between the Trust and AMNH, which revenues and payments are pledged under the Revenue Bond Resolution adopted by the Trust on April 22, 2008. No other funds or assets of the Trust are pledged towards the payment of such bonds.

The Series 2009A Bonds were issued without credit enhancement or liquidity support. The Series 2009A Bonds bear interest at fixed rates until converted to another interest rate period and interest is payable every April 1 and October 1.

The maturity dates of the Series 2009A Bonds are as follows:

<u>Series 2009A Bonds</u>		
<u>Maturity Dates</u>	<u>Issued Amount</u>	<u>Interest Rate</u>
April 1, 2014	\$ 1,200,000	4.00%
April 1, 2015	1,250,000	4.00
April 1, 2016	1,300,000	4.00
April 1, 2017	2,570,000	5.00
April 1, 2018	2,695,000	5.00
April 1, 2019	2,830,000	5.00
April 1, 2020	2,975,000	5.00
April 1, 2021	<u>3,120,000</u>	5.00
	<u>\$ 17,940,000</u>	

At December 31, 2012 and 2011, \$17,940,000 of the Series 2009A Bonds remained outstanding.

*The New York Botanical Garden (the "Garden")* - On August 14, 2009, the Trust issued Refunding Revenue Bonds, Series 2009A (The New York Botanical Garden) (the "Series 2009A Bonds") in the aggregate principal amount of \$68,090,000 and loaned the proceeds thereof to the Garden for the purpose of refinancing amounts borrowed under a Line of Credit Agreement, the proceeds of which were used to redeem in full the Series 2002 Bonds and the Series 2006A Bonds, as described in note 3. The Series 2009A Bonds are special obligations of the Trust payable and secured by loan repayments that the Trust receives from the Garden pursuant to the Loan Agreement, dated as of August 1, 2009, between the Trust and the Garden, which revenues and payments are pledged under the Revenue Bond Resolution adopted by the Trust on July 29, 2009. No other funds or assets of the Trust are pledged towards the payment of such bonds.

Payment of the principal and interest on the Series 2009A Bonds is secured by an irrevocable direct pay Letter of Credit issued by JPMorgan Chase Bank, National Association, expiring on August 13, 2013. The Series 2009A Bonds bear interest at a weekly rate until converted to another interest rate period. Interest on the Series 2009A Bonds is established by the remarketing agent, Morgan Stanley & Co. LLC, and payable on the first business day of each calendar month. The average rate for the years ended December 31, 2012 and 2011 was 0.16% and 0.16%, respectively, and the interest rate in effect at December 31, 2012 and 2011 was 0.12% and 0.09%, respectively.

The maturity and sinking fund redemption dates of the Series 2009A Bonds are as follows:

<b><u>Series 2009A Bonds</u></b>	
<b><u>Sinking fund</u></b>	<b><u>Issued</u></b>
<b><u>Redemption</u></b>	<b><u>Amount</u></b>
July 1, 2015	\$ 2,680,000
July 1, 2016	2,780,000
July 1, 2017	2,905,000
July 1, 2018	3,070,000
July 1, 2019	3,190,000
July 1, 2020	3,260,000
July 1, 2021	3,480,000
July 1, 2022	3,605,000
July 1, 2023	3,790,000
July 1, 2024	3,950,000
July 1, 2025	4,075,000
July 1, 2026	4,260,000
July 1, 2027	3,945,000
July 1, 2028	4,160,000
July 1, 2029	4,375,000
July 1, 2030	4,615,000
July 1, 2031	4,855,000
July 1, 2032	<u>5,095,000</u>
	<u>\$ 68,090,000</u>

At December 31, 2012 and 2011, \$68,090,000 of the Series 2009A Bonds remained outstanding.

*The Asia Society* - On April 13, 2000, the Trust issued Revenue Bonds, Series 2000 (The Asia Society) (the "Series 2000 Bonds") in the aggregate principal amount of \$25,000,000 and loaned the proceeds thereof to The Asia Society for the purpose of paying a portion of the costs of upgrading the public spaces of The Asia Society's headquarters in order to maximize the potential for increased audiences and revenue, and to reconcile the building's infrastructure with current city codes, as described in note 3. The Series 2000 Bonds are special obligations of the Trust payable and secured by loan repayments that the Trust receives from The Asia Society pursuant to the Loan Agreement, dated as of March 1, 2000, between the Trust and The Asia Society, which revenues and payments are pledged under the Revenue Bond Resolution adopted by the Trust on March 1, 2000. No other funds or assets of the Trust are pledged towards the payment of such bonds.

Payment of the principal and interest on the Series 2000 Bonds is secured by an irrevocable direct pay Letter of Credit issued by JPMorgan Chase Bank, National Association, expiring on April 13, 2014. The Series 2000 Bonds bear interest at a weekly rate until converted to another interest rate period. Interest on the Series 2000 Bonds is established by the remarketing agent, Morgan Stanley & Co. LLC, and payable on the first business day of each calendar month. The average rate for the years ended December 31, 2012 and 2011 was 0.16% and 0.16%, respectively, and the interest rate in effect at December 31, 2012 and 2011 was 0.12% and 0.09%, respectively.

The maturity and sinking fund redemption dates of the Series 2000 Bonds are as follows:

<b>Series 2000 Bonds</b>	
<b>Sinking fund Redemption</b>	<b>Issued Amount</b>
April 1, 2002 (Paid)	\$ 250,000
April 1, 2003 (Paid)	495,000
April 1, 2004 (Paid)	515,000
April 1, 2005 (Paid)	540,000
April 1, 2006 (Paid)	555,000
April 1, 2007 (Paid)	580,000
April 1, 2008 (Paid)	600,000
April 1, 2009 (Paid)	630,000
April 1, 2010 (Paid)	650,000
April 1, 2011 (Paid)	680,000
April 1, 2012 (Paid)	705,000
April 1, 2013	735,000
April 1, 2014	760,000
April 1, 2015	795,000
April 1, 2016	825,000
April 1, 2017	860,000
April 1, 2018	890,000
April 1, 2019	925,000
April 1, 2020	965,000
April 1, 2021	1,005,000
April 1, 2022	1,045,000
April 1, 2023	1,085,000
April 1, 2024	1,125,000
April 1, 2025	1,175,000
April 1, 2026	1,220,000
April 1, 2027	1,270,000
April 1, 2028	1,320,000
April 1, 2029	1,375,000
April 1, 2030	<u>1,425,000</u>
	<u>\$ 25,000,000</u>

At December 31, 2012 and 2011, \$18,800,000 and \$19,505,000, respectively, of the Series 2000 Bonds remained outstanding.

***The Manhattan School of Music (the "School")*** - On May 13, 2009, the Trust issued Refunding Revenue Bonds, Series 2009A (The Manhattan School of Music) (the "Series 2009 Bonds") in the principal amount of \$42,300,000 and loaned the proceeds thereof to the School for the purpose of refunding the outstanding Series 2000 Revenue Bonds and to pay certain costs of issuance of the Series 2009 Bonds including costs connected to the Credit Enhancement, as described in note 3. The Series 2009 Bonds are special obligations of the Trust payable and secured by loan repayments that the Trust receives from the School pursuant to the Loan Agreement, dated as of May 1, 2009, between the Trust and the School, which revenues and payments are pledged under the Revenue Bond Resolution adopted by the Trust on April 28, 2009. No other funds or assets of the Trust are pledged towards the payment of such bonds.

Payment of the principal and interest, including any payments made with respect to an optional or mandatory redemption and payment of the purchase price of Bonds tendered, on the Series 2009A Bonds was secured by an irrevocable direct pay Letter of Credit issued by Wells Fargo Bank, N.A. which has since been cancelled. Until December 9, 2010, the Series 2009A Bonds bore interest at a weekly rate until converted to another interest rate period. Interest on the Series 2009A Bonds was established by the remarketing agent, Wells Fargo Brokerage Services LLC, and payable on the first business day of each calendar month. On December 10, 2010, the Series 2009A Bonds were converted from the weekly interest rate to the long-term interest rate of 3.05% for the period December 10, 2010 to December 9, 2014. Such bonds were purchased by Wells Fargo Bank, National Association on December 9, 2010.

The maturity and sinking fund redemption dates of the Series 2009A Bonds are as follows:

<b>Series 2009A Bonds</b>	
<b>Sinking fund Redemption</b>	<b>Issued Amount</b>
October 1, 2010 (Paid)	\$ 1,085,000
October 1, 2011 (Paid)	1,160,000
October 1, 2012 (Paid)	1,235,000
October 1, 2013	1,535,000
October 1, 2014	1,615,000
October 1, 2015	1,715,000
October 1, 2016	1,600,000
October 1, 2017	1,705,000
October 1, 2018	1,805,000
October 1, 2019	1,920,000
October 1, 2020	2,035,000
October 1, 2021	2,160,000
October 1, 2022	2,290,000
October 1, 2023	2,430,000
October 1, 2024	2,575,000
October 1, 2025	2,735,000
October 1, 2026	2,900,000
October 1, 2027	3,075,000
October 1, 2028	3,265,000
October 1, 2029	<u>3,460,000</u>
	<u>\$ 42,300,000</u>

At December 31, 2012 and 2011, \$38,820,000 and \$40,055,000, respectively, of the Series 2009A Bonds remained outstanding.

***International Center of Photography (“ICP”)*** - On May 7, 2010, the Trust issued Revenue Bonds, Series 2010A (International Center of Photography) (the “Series 2010A Bonds”) in the aggregate principal amount of \$8,330,000 and loaned the proceeds thereof to ICP for the purpose of repaying a short-term taxable loan which was used to refund the Series 2000 Bonds, as described in note 3. The Series 2010A Bonds are special obligations of the Trust payable and secured by loan repayments that the Trust receives from ICP pursuant to the Loan Agreement, dated as of May 1, 2010, between the Trust and ICP, which revenues and payments are pledged under the Revenue Bond Resolution adopted by the Trust on April 8, 2010. No other funds or assets of the Trust are pledged towards the payment of such bonds.

The Series 2010A Bonds were issued without credit enhancement or liquidity support. The Series 2010A Bonds were privately placed with Brown Brothers Harriman & Co (“BBH”). The Series 2010A Bonds bear interest at fixed rates for an initial fixed rate period until March 31, 2011 or until converted to another interest rate period. On March 31, 2011, the Series 2010A Bonds were converted to variable interest rate bonds. On or after May 7, 2013 BBH has the right to demand redemption of the Series 2010A upon 90 days written notice. Interest is payable quarterly, every January 1, April 1, July 1, and October 1, commencing July 1, 2010.

The maturity and sinking fund redemption dates of the Series 2010A Bonds are as follows:

<b><u>Series 2010A Bonds</u></b>		
<b><u>Sinking fund Redemption</u></b>	<b><u>Issued Amount</u></b>	<b><u>Interest Rate</u></b>
April 1, 2011 (Paid)	\$ 575,000	2.70 %
April 1, 2012 (Paid)	575,000	Variable
April 1, 2013	575,000	
April 1, 2014	575,000	
April 1, 2015	575,000	
April 1, 2016	575,000	
April 1, 2017	575,000	
April 1, 2018	575,000	
January 1, 2019	<u>3,730,000</u>	
	<u>\$8,330,000</u>	

At December 31, 2012 and 2011, \$7,180,000 and \$7,755,000, respectively, of the Series 2010A Bonds remained outstanding.

***Alvin Ailey Dance Foundation*** - On November 6, 2003, the Trust issued Revenue Bonds, Series 2003 (Alvin Ailey Dance Foundation) (the “Series 2003 Bonds”) in the aggregate principal amount of \$20,000,000 and loaned the proceeds thereof to the Alvin Ailey Dance Foundation for the purpose of paying a portion of the costs of constructing and equipping the Joan Weill Center for Dance, a 77,000 square foot facility located at 841 Ninth Avenue, on the northwest corner of 55<sup>th</sup> Street and 9<sup>th</sup> Avenue in New York City, as described in note 3. The Series 2003 Bonds are special obligations of the Trust payable from a Reserve Fund and are secured by a mortgage and loan repayments that the Trust receives from the Alvin Ailey Dance Foundation pursuant to the Loan Agreement, dated as of November 1, 2003, between the Trust and the Alvin Ailey Dance Foundation, which mortgage revenues and payments are pledged under the Revenue Bond Resolution adopted by the Trust on October 29, 2003. No other funds or assets of the Trust are pledged towards the payment of such bonds.

Payment of the principal and interest on the Series 2003 Bonds is secured by an irrevocable direct pay Letter of Credit issued by Citibank, N.A. expiring on September 30, 2016. The Series 2003 Bonds bear interest at a weekly rate until converted to another interest rate period. Interest on the Series 2003 Bonds is established by the remarketing agent, Citigroup Global Markets Inc., and payable on the first Wednesday of each calendar month. The average rate for the years ended December 31, 2012 and 2011 was 0.20% and 0.16%, respectively, and the interest rate in effect at December 31, 2012 and 2011 was 0.15% and 0.09%, respectively.

The maturity date of the Series 2003 Bonds are as follows:

<b>Series 2003 Bonds</b>	
<b><u>Maturity Date</u></b>	<b><u>Issued amount</u></b>
July 1, 2033	<u>\$ 20,000,000*</u>

\* On July 1, 2006, June 28, 2007, June 24, 2008, June 29, 2009, June 29, 2010, and June 29, 2011, June 29, 2012 there were bond redemptions of \$400,000, \$3,490,000, \$435,000, \$450,000, \$470,000, and \$490,000, and \$505,000, respectively.

At December 31, 2012 and 2011, \$13,760,000 and \$14,265,000, respectively, of the Series 2003 Bonds remained outstanding.

***The Pierpont Morgan Library*** - On January 22, 2004, the Trust issued Revenue Bonds, Series 2004 (The Pierpont Morgan Library) (the "Series 2004 Bonds") in the aggregate principal amount of \$50,000,000 and loaned the proceeds thereof to The Pierpont Morgan Library for the purpose of paying a portion of the costs of the restoration of the three historic buildings of the Institution's campus while integrating three new structures in the site, as described in note 3. The Series 2004 Bonds are special obligations of the Trust payable and secured by loan repayments that the Trust receives from The Pierpont Morgan Library pursuant to the Loan Agreement, dated as of January 1, 2004, between the Trust and The Pierpont Morgan Library, which revenues and payments are pledged under the Revenue Bond Resolution adopted by the Trust on January 15, 2004. No other funds or assets of the Trust are pledged towards the payment of such bonds.

Payment of the principal and interest on the Series 2004 Bonds is secured by an irrevocable direct pay Letter of Credit issued by JPMorgan Chase Bank, National Association, expiring on December 28, 2015. The Series 2004 Bonds bear interest at a weekly rate until converted to another interest rate period. Interest on the Series 2004 Bonds is established by the remarketing agent, J.P. Morgan Securities LLC on a weekly basis, and payable on the first business day of each calendar month. The average rate for the years ended December 31, 2012 and 2011 was 0.16% and 0.15%, respectively, and the interest rate in effect at December 31, 2012 and 2011 was 0.14% and 0.06%, respectively.

The maturity and sinking fund redemption dates on the Series 2004 Bonds are as follows:

<b>Series 2004 Revenue Bonds</b>		
<b>Sinking fund Redemption</b>	<b>Redemption</b>	<b>Issued Amount</b>
February 1, 2008	(Paid) *	\$ 1,100,000
February 1, 2009	(Paid) *	1,100,000
February 1, 2010	(Paid) *	1,200,000
February 1, 2011	(Paid) *	1,200,000
February 1, 2012	(Paid) *	1,300,000
February 1, 2013	(Paid) *	1,300,000
February 1, 2014	(Paid) *	1,400,000
February 1, 2015	(Paid) *	1,400,000
February 1, 2016	(Paid) **	1,500,000
February 1, 2017	(Paid) **	1,500,000
February 1, 2018	(Paid) **	1,600,000
February 1, 2019	(Paid) **	1,600,000
February 1, 2020	(Paid) **	1,700,000
February 1, 2021	(Paid) **	1,800,000
February 1, 2022	(Paid) **	1,800,000
February 1, 2023	(Paid) ***	1,900,000
February 1, 2024	(Paid) ***	2,000,000
February 1, 2025	(Paid) ***	2,100,000
February 1, 2026	(Paid) ***	2,100,000
February 1, 2027	(Paid) ***, ****	2,200,000
February 1, 2028	(Paid) ****	2,300,000
February 1, 2029	(Paid) ****	2,400,000
February 1, 2030		2,500,000
February 1, 2031		2,600,000
February 1, 2032		2,700,000
February 1, 2033		2,800,000
February 1, 2034		2,900,000
		<u>\$ 50,000,000</u>

\* On November 1, 2006, \$10,000,000 was redeemed.

\*\* On November 1, 2007, \$10,000,000 was redeemed. Included in this redemption was \$300,000 that was applied to the February 1, 2022 sinking fund requirement.

\*\*\* On November 3, 2008, \$10,000,000 was redeemed. Included in this redemption was \$400,000 that was applied to the February 1, 2027 sinking fund requirement.

\*\*\*\* On April 1, 2011, \$5,000,000 was redeemed. Included in this redemption was \$1,800,000 that was applied to the February 1, 2027 sinking fund requirement and \$900,000 that was applied to the February 1, 2029 sinking fund requirement, leaving a balance of \$1,500,000.

At December 31, 2012 and 2011, \$15,000,000 of the Series 2004 Bonds remained outstanding.

**Wildlife Conservation Society (“WCS”)** - On March 11, 2004, the Trust issued Revenue Bonds, Series 2004 (Wildlife Conservation Society) (the “Series 2004 Bonds”) in the aggregate principal amount of \$65,530,000 and loaned the proceeds thereof to WCS for the purpose of financing a portion of the costs of WCS’s long-term capital improvement plan at the Bronx Zoo and the New York Aquarium, including the acquisition, construction, design, of WCS facilities, as described in note 3. The original bond premium is \$1,313,867. The Series 2004 Bonds are special obligations of the Trust payable and secured by loan repayments that the Trust receives from WCS pursuant to the Loan Agreement, dated as of February 1, 2004, between the Trust and WCS, which revenues and payments are pledged under the Revenue Bond Resolution adopted by the Trust on February 17, 2004. No other funds or assets of the Trust are pledged towards payment of such bonds.

Payment of principal and interest on the Series 2004 Bonds are insured by Financial Guaranty Insurance Company. The Series 2004 Bonds bear interest at fixed rates to the maturity thereof, payable semiannually each February 1 and August 1.

The maturity date on the Series 2004 Bonds is as follows:

<b><u>Series 2004 Revenue Bonds</u></b>	
<b><u>Maturity Date</u></b>	<b><u>Issued amount</u></b>
February 1, 2034	<u>\$ 65,530,000</u>

At December 31, 2011 and 2010, \$65,530,000 of the Series 2004 Bonds remained outstanding.

**Lincoln Center for the Performing Arts, Inc. (“LCPA”)** - On July 17, 2008, the Trust issued Refunding Revenue Bonds, Series 2008A-1 and Series 2008A-2 (Lincoln Center for the Performing Arts, Inc.) (the “Series 2008A Bonds”) in the aggregate principal amount of \$151,250,000 and loaned the proceeds thereof to LCPA for the purpose of refunding all of the Series 2006A Bonds, as described in note 3. The Series 2008A Bonds are special obligations of the Trust payable and secured by loan repayments that the Trust receives from LCPA pursuant to the Loan Agreement, dated as of July 1, 2008, between the Trust and LCPA, which revenues and payments are pledged under the Revenue Bond Resolution adopted by the Trust on April 22, 2008. No other funds or assets of the Trust are pledged towards the payment of such bonds.

Payment of the principal and interest on the Series 2008A-1 Bonds is secured by an irrevocable direct pay Letter of Credit issued by Bank of America N.A., expiring on February 12, 2013. On June 18, 2012, the Series 2008A-1 Bonds’ Letter of Credit was substituted with an irrevocable direct pay Letter of Credit by JP Morgan Chase Bank, N.A., expiring on June 17, 2015. The Series 2008A-1 Bonds bear interest at a daily rate until converted to another interest rate period. Interest on the Series 2008A-1 Bonds is established by the remarketing agent, Morgan Stanley & Co. LLC, and payable on the first business day of each calendar month. The average rate for the years ended December 31, 2012 and 2011 was 0.17 % and 0.13%, respectively, and the interest rate in effect at December 31, 2012 and 2011 was 0.14% and 0.08%, respectively.

The maturity and sinking fund redemption dates of the Series 2008A-1 Bonds are as follows:

<b>Series 2008A-1 Bonds</b>	
<b>Sinking fund Redemption</b>	<b>Issued Amount</b>
December 1, 2025	\$ 4,130,000
December 1, 2026	4,290,000
December 1, 2027	4,405,000
December 1, 2028	4,635,000
December 1, 2029	4,875,000
December 1, 2030	5,060,000
December 1, 2031	5,270,000
December 1, 2032	5,440,000
December 1, 2033	5,745,000
December 1, 2035	69,625,000
	<u>\$ 113,475,000</u>

At December 31, 2012 and 2011, \$113,475,000 of the Series 2008A-1 Bonds remained outstanding.

Payment of the principal and interest on the Series 2008A-2 Bonds is secured by an irrevocable direct pay Letter of Credit issued by Bank of America N.A., expiring on February 12, 2013. On June 18, 2012, the Series 2008A-2 Bonds' Letter of Credit was substituted with an irrevocable direct pay Letter of Credit by Bank of New York Mellon, expiring on June 17, 2015. The Series 2008A-2 Bonds bear interest at a daily rate until converted to another interest rate period. Interest on the Series 2008A-2 Bonds is established by the remarketing agent, Morgan Stanley & Co. LLC, and payable on the first business day of each calendar month. The average rate for the years ended December 31, 2012 and 2011 was 0.16% and 0.13%, respectively, and the interest rate in effect at December 31, 2012 and 2011 was 0.11% and 0.11%, respectively.

The maturity date of the Series 2008A-2 Bonds is as follows:

<b>Series 2008A-2 Bonds</b>	
<b>Maturity Date</b>	<b>Issued Amount</b>
December 1, 2035	\$ <u>37,775,000</u>

At December 31, 2012 and 2011, \$37,775,000 of the Series 2008A-2 Bonds remained outstanding.

On November 13, 2008, the Trust issued Revenue Bonds, Series 2008B-1 and Series 2008B-2 (Lincoln Center for the Performing Arts, Inc.) (the "Series 2008B Bonds") in the aggregate principal amount of \$100,000,000 and loaned the proceeds thereof to LCPA for the purpose of paying all or a portion of the costs relating to the construction, renovation, improvement, furnishing, and equipping certain facilities on the Lincoln Center campus, as described in note 3. The Series 2008B Bonds are special obligations of the Trust payable and secured by loan repayments that the Trust receives from LCPA pursuant to the Loan Agreement, dated as of July 1, 2008, between the Trust and LCPA, which revenues and payments are pledged under the Revenue Bond Resolution adopted by the Trust on April 22, 2008. No other funds or assets of the Trust are pledged towards the payment of such bonds.

Payment of the principal and interest on the Series 2008B-1 Bonds is secured by an irrevocable direct pay Letter of Credit issued by US Bank National Association expiring on November 12, 2013. The Series 2008B-1 Bonds bear interest at a weekly rate until converted to another interest rate period. Interest on the Series 2008B-1 Bonds is established by the remarketing agent, Morgan Stanley & Co. LLC, and payable on the first business day of each calendar month. The average rate for the years ended December 31, 2012 and 2011 was 0.14% and 0.14%, respectively, and the interest rate in effect at December 31, 2012 and 2011 was 0.11% and 0.07%, respectively.

The maturity date of the Series 2008B-1 Bonds is as follows:

<b>Series 2008B-1 Bonds</b>	
<b>Maturity Date</b>	<b>Issued Amount</b>
November 1, 2038	<u>\$ 50,000,000</u>

At December 31, 2012 and 2011, \$50,000,000 of the Series 2008B-1 Bonds remained outstanding.

Payment of the principal and interest on the Series 2008B-2 Bonds was secured by an irrevocable direct pay Letter of Credit issued by JPMorgan Chase National Association expiring on November 12, 2013. The Series 2008B-2 Bonds bore interest at a weekly rate until converted to another interest rate period. Interest on the Series 2008B-2 Bonds was established by the remarketing agent, Morgan Stanley & Co. LLC, and payable on the first business day of each calendar month. The average rate for one month ended January 31, 2011 was 0.26% and the interest rate in effect at January 31, 2011 was 0.31%.

The maturity date of the Series 2008B-2 Bonds is as follows:

<b>Series 2008B-2 Bonds</b>	
<b>Maturity Date</b>	<b>Issued Amount</b>
November 1, 2038 (Redeemed) *	<u>\$ 50,000,000</u>

\*On February 1, 2011, the Series 2008B-2 Bonds were redeemed in full.

At December 31, 2012 and 2011, \$0 of the Series 2008B-2 Bonds remained outstanding.

On October 23, 2008, the Trust issued Revenue Bonds, Series 2008C (Lincoln Center for the Performing Arts, Inc.) (the "Series 2008C Bonds") in the aggregate principal amount of \$100,000,000 and loaned the proceeds thereof to LCPA for the purpose of paying all or a portion of the costs relating to the construction, renovation, improvement, furnishing, and equipping certain facilities on the Lincoln Center campus, as described in note 3. The original bond premium is \$2,756,556. The Series 2008C Bonds are special obligations of the Trust payable and secured by loan repayments that the Trust receives from LCPA pursuant to the Loan Agreement, dated as of July 1, 2008, between the Trust and LCPA, which revenues and payments are pledged under the Revenue Bond Resolution adopted by the Trust on April 22, 2008. No other funds or assets of the Trust are pledged towards the payment of such bonds.

The Series 2008C Bonds were issued without credit enhancement or liquidity support. The Series 2008C Bonds bear interest at fixed rates until converted to another interest rate period and interest is payable semiannually, every June 1 and December 1.

The maturity and sinking fund redemption dates of the Series 2008C Bonds are as follows:

<b>Series 2008C Bonds</b>		
<b>Maturity Dates</b>	<b>Issued Amount</b>	<b>Interest Rate</b>
December 1, 2016	\$ 59,525,000	5.75%
December 1, 2018	15,650,000	5.25
December 1, 2018	<u>24,825,000</u>	5.75
	<u>\$ 100,000,000</u>	

At December 31, 2012 and 2011, \$100,000,000 of the Series 2008C Bonds remained outstanding.

*New York Public Radio (Formerly Known as WNYC Radio)* - On March 29, 2006, the Trust issued Revenue Bonds, Series 2006 (WNYC Radio) (the "Series 2006 Bonds") in the aggregate principal amount of \$23,000,000 and loaned the proceeds thereof to New York Public Radio for the purpose of paying a portion of the costs relating to the construction, renovation, and equipping of the Institution's facilities located at 160-170 Varick Street in New York, New York to be used as the Institution's principal offices and broadcast studios, as described in note 3. The Series 2006 Bonds are special obligations of the Trust payable and secured by loan repayments that the Trust receives from New York Public Radio pursuant to the Loan Agreement, dated as of March 1, 2006, between the Trust and New York Public Radio, which revenues and payments are pledged under the Revenue Bond Resolution adopted by the Trust on January 10, 2006. No other funds or assets of the Trust are pledged towards the payment of such bonds.

Payment of the principal and interest on the Series 2006 Bonds is secured by an irrevocable direct pay Letter of Credit issued by Wells Fargo Bank, N.A. (as successor in interest by merger to Wachovia Bank, N.A.), expiring on March 29, 2015. The Series 2006 Bonds bear interest at a weekly rate until converted to another interest rate period. Interest on the Series 2006 Bonds is established by the remarketing agent, Wells Fargo Bank, N.A. (as successor in interest by merger to Wachovia Bank, N.A.), on a weekly basis, and payable on the first business day of each calendar month. The average rate for the years ended December 31, 2012 and 2011 was 0.13% and 0.13%, respectively, and the interest rate in effect at December 31, 2012 and 2011 was 0.10% and 0.04%, respectively.

The maturity and sinking fund redemption dates on the Series 2006 Bonds are as follows:

<b><u>Series 2006 Bonds</u></b>	
<b><u>Sinking fund Redemption</u></b>	<b><u>Issued Amount</u></b>
April 1, 2009 (Paid)	\$ 870,000
April 1, 2010 (Paid)	910,000
April 1, 2011 (Paid)	950,000
April 1, 2012 (Paid) *, **	985,000
April 1, 2013 (Paid) **	1,030,000
April 1, 2014 (Paid) **	1,075,000
April 1, 2015 (Paid) **	1,125,000
April 1, 2016 (Paid) **	1,170,000
April 1, 2017	1,220,000
April 1, 2018	1,275,000
April 1, 2019	1,330,000
April 1, 2020	1,385,000
April 1, 2021	1,445,000
April 1, 2022	1,510,000
April 1, 2023	1,575,000
April 1, 2024	1,640,000
April 1, 2025	1,715,000
April 1, 2026	<u>1,790,000</u>
	<u>\$ 23,000,000</u>

\*\$675,000 of this amount was paid on April 23, 2010.

\*\*\$3,675,000 of this amount was paid on April 20, 2011 and \$775,000 was paid on April 1, 2012.

At December 31, 2012 and 2011, \$15,145,000 and \$15,920,000, respectively, of the Series 2006 Bonds remained outstanding.

As of June 25, 2007, The Rector, Church-Wardens and Vestrymen of Trinity Church of The City of New York ("Trinity"), as the owner of the leased facilities, conveyed to the Trust title to a condominium unit ("TCR Unit") at 160-170 Varick Street, consisting of the premises leased to WNYC. The conveyance was made in order to permit WNYC to obtain an exemption from real estate taxes with respect to its leased office and studios. Simultaneously with the conveyance of the TCR Unit, the Trust and Trinity entered into a Master Lease pursuant to which the Trust leased the TCR Unit back to Trinity. Upon the expiration or termination of the lease to WNYC, title to the TCR Unit will revert to Trinity. Because the Trust's title to the TCR Unit is subject to Trinity's reversionary interest and because Trinity retains the economic rights and obligations of ownership of the TCR Unit pursuant to the Master Lease, the Trust has not capitalized the TCR Unit.

**School of American Ballet, Inc. ("SAB")** - On August 8, 2006, the Trust issued Revenue Bonds, Series 2006 (School of American Ballet) (the "Series 2006 Bonds") in the aggregate principal amount of \$8,600,000 and loaned the proceeds thereof to SAB for the purpose of paying all or a portion of the costs relating to the expansion, reconstruction, renovation, improvement, furnishing, and equipping of dance studios operated by the Institution and ancillary spaces at 70 Lincoln Center Plaza, New York, New York, as described in note 3. The Series 2006 Bonds are special obligations of the Trust payable and secured by loan repayments that the Trust receives from SAB pursuant to the Loan Agreement, dated as of August 1, 2006, between the Trust and SAB, which revenues and payments are pledged under the Revenue Bond Resolution adopted by the Trust on July 26, 2006. No other funds or assets of the Trust are pledged towards the payment of such bonds.

Payment of the principal and interest on the Series 2006 Bonds is secured by an irrevocable direct pay Letter of Credit issued by Wells Fargo Bank, N.A. (as successor in interest by merger to Wachovia Bank, N.A.) expiring on August 8, 2016. The Series 2006 Bonds bear interest at a weekly rate until converted to another interest rate period. Interest on the Series 2006 Bonds is established by the remarketing agent, Merrill Lynch Pierce Fenner & Smith Incorporated, on a weekly basis, and payable on the first business day of each calendar month. The average rate for the years ended December 31, 2012 and 2011 was 0.17% and 0.18%, respectively, and the interest rate in effect at December 31, 2012 and 2011 was 0.14% and 0.12%, respectively.

The maturity date on the Series 2006 Bond is as follows:

<u>Series 2006 Bond</u>	
<u>Maturity Date</u>	<u>Issued amount</u>
July 1, 2036	\$ <u>8,600,000</u>

At December 31, 2012 and 2011, \$8,600,000 of the Series 2006 Bonds remained outstanding.

**The Juilliard School** - On April 1, 2009, the Trust issued Revenue Bonds, Series 2009A and Series 2009B (The Juilliard School) (the "Series 2009A Bonds" and the "Series 2009B Bonds") in the principal amounts of \$47,850,000 and \$77,145,000, respectively, and loaned the proceeds thereof to The Juilliard School for the purpose of repaying of a portion of a line of credit from JPMorgan Chase Bank, National Association, which was applied to redeem the Series 2006A Bonds, previously issued by the Trust, and to pay for certain costs of issuance, as described in note 3. The Series 2009A Bonds and the Series 2009B Bonds are special obligations of the Trust payable and secured by loan repayments that the Trust receives from The Juilliard School pursuant to the Loan Agreement, dated as of April 1, 2009, between the Trust and The Juilliard School, which revenues and payments are pledged under the Revenue Bond Resolution adopted by the Trust on March 18, 2009. No other funds or assets of the Trust are pledged towards the payment of such bonds.

The Series 2009A Bonds were issued without credit enhancement or liquidity support. The Series 2009A Bonds bear interest at a fixed rate to the maturity thereof. Interest is payable semiannually every January 1 and July 1, commencing January 1, 2010.

The maturity and sinking fund redemption dates on the Series 2009A Bonds are as follows:

<b><u>Series 2009A Bonds</u></b>		
<b><u>Sinking fund</u></b>	<b><u>Issued</u></b>	<b><u>Interest</u></b>
<b><u>Installments</u></b>	<b><u>Amount</u></b>	<b><u>Rate</u></b>
January 1, 2033	\$ 11,175,000	5.00 %
January 1, 2034	11,675,000	5.00
January 1, 2035	-	-
January 1, 2036	-	-
January 1, 2037	7,930,000	5.00
January 1, 2038	8,325,000	5.00
January 1, 2039	8,745,000	5.00
	<u>\$ 47,850,000</u>	

At December 31, 2012 and 2011, \$47,850,000 of the Series 2009A Bonds remained outstanding.

The Series 2009B Bonds were issued without credit enhancement or liquidity support. The Series 2009B Bonds bore interest at an initial long-term interest rate of 2.75% until June 30, 2012. Thereafter, unless otherwise converted to another interest rate, interest shall accrue on the Series 2009B Bonds at a long-term interest rate, to be determined by J.P. Morgan Securities LLC, as remarketing agent. On June 21, 2012, the Series 2009B Bonds were converted to bear interest at a new long-term interest rate of 1.35% until August 1, 2017. Interest is payable semiannually every January 1 and July 1, commencing January 1, 2010.

The maturity date on the Series 2009B Bonds is as follows:

<b><u>Series 2009B Bonds</u></b>	
<b><u>Maturity Date</u></b>	<b><u>Issued amount</u></b>
January 1, 2036	<u>\$ 77,145,000</u>

At December 31, 2012 and 2011, \$77,145,000 of the Series 2009B Bonds remained outstanding.

On April 1, 2009, the Trust issued Revenue Bonds, Series 2009C (The Juilliard School) (the "Series 2009C Bonds") in the aggregate principal amount of \$70,000,000 and loaned the proceeds thereof to The Juilliard School for the purpose of repaying a portion of a line of credit from JPMorgan Chase Bank, National Association, which was applied to redeem the Series 2006A Bonds, previously issued by the Trust and to pay for certain costs of issuance, as described in note 3. The Series 2009C Bonds are special obligations of the Trust payable and secured by loan repayments that the Trust receives from The Juilliard School pursuant to the Loan Agreement, dated as of April 1, 2009, between the Trust and The Juilliard School, which revenues and payments are pledged under the Revenue Bond Resolution adopted by the Trust on March 18, 2009. No other funds or assets of the Trust are pledged towards the payment of such bonds.

The Series 2009C Bonds were issued without credit enhancement or liquidity support. The Series 2009C Bonds bore interest an initial annual interest rate of 0.65% until March 31, 2010. Interest on the Series 2009C Bonds is payable semiannually every April 1 and October 1. On April 1, 2010, the Series 2009C Bonds were converted to bear interest at a Long-Term Interest Rate of 2.10% for an initial Long-Term Interest Rate Period expiring on July 1, 2015. Thereafter, unless otherwise converted to another interest rate, interest shall accrue on the Series 2009C Bonds at an annual interest rate, to be determined by J.P. Morgan Securities LLC, as remarketing agent.

The maturity and sinking fund redemption dates on the Series 2009C Bonds are as follows:

<b>Series 2009C Bonds</b>	
<b>Sinking fund Installments</b>	<b>Issued Amount</b>
April 1, 2029	\$ 9,475,000
April 1, 2030	9,850,000
April 1, 2031	10,275,000
April 1, 2032	10,725,000
April 1, 2033	-
April 1, 2034	-
April 1, 2035	12,175,000
April 1, 2036	<u>17,500,000</u>
	<u>\$ 70,000,000</u>

At December 31, 2012 and 2011, \$70,000,000 of the Series 2009C Bonds remained outstanding.

*The Metropolitan Museum of Art (the "Met")* - On December 1, 2006, the Trust issued Revenue Bonds, Series 2006A-1/2 (the Met) (the "Series 2006A Bonds") in the aggregate principal amount of \$130,000,000 and loaned the proceeds thereof to the Met for the purpose of paying the costs of the expansion, renovation, reconstruction, furnishing and equipping of certain facilities, new galleries, and new support space operated or to be operated by the Museum located at 1000 Fifth Avenue, New York, New York, as described in note 3. The Series 2006A Bonds are special obligations of the Trust payable and secured by loan repayments that the Trust receives from the Met pursuant to the Loan Agreement, dated as of December 1, 2006, as amended and supplemented, between the Trust and the Met, which revenues and payments are pledged under the Revenue Bond Resolution adopted by the Trust on November 16, 2006. No other funds or assets of the Trust are pledged towards the payment of such bonds.

The Series 2006A-1 Bonds were issued without credit enhancement or liquidity support. Initially, interest on the Series 2006A-1 Bonds was established by the auction agent, The Bank of New York Mellon. On April 29, 2008, the Series 2006A-1 Bonds were converted to a weekly interest rate, with interest determined by the remarketing agent, Morgan Stanley & Co. LLC, and payable every Tuesday of each week until converted to another period. The average rate for the years ended December 31, 2012 and 2011 was 0.15% and 0.15%, respectively, and the interest rate in effect at December 31, 2012 and 2011 was 0.12% and 0.08%, respectively.

The maturity date on the Series 2006A-1 Bonds is as follows:

<b>Series 2006A-1 Bonds</b>	
<b>Maturity Date</b>	<b>Issued amount</b>
October 1, 2036	<u>\$ 65,000,000</u>

At December 31, 2012 and 2011, \$65,000,000 of the Series 2006A-1 Bonds remained outstanding.

The Series 2006A-2 Bonds were issued without credit enhancement or liquidity support. Initially, interest on the Series 2006A-2 Bonds was established by the auction agent, The Bank of New York Mellon. On May 1, 2008, the Series 2006A-2 Bonds were converted to a weekly interest rate, with interest determined by the remarketing agent, Morgan Stanley, and payable every Thursday of each week until converted to another period. The average rate for the years ended December 31, 2012 and 2011 was 0.15 % and 0.15%, respectively, and the interest rate in effect at December 31, 2012 and 2011 was 0.12% and 0.08%, respectively.

The maturity date on the Series 2006A-2 Bonds is as follows:

<b><u>Series 2006A-2 Bonds</u></b>	
<b><u>Maturity Date</u></b>	<b><u>Issued amount</u></b>
October 1, 2036	\$ <u>65,000,000</u>

At December 31, 2012 and 2011, \$65,000,000 of the Series 2006A-2 Bonds remained outstanding.

*Whitney Museum of American Art* - On August 2, 2011, the Trust issued Revenue Bonds, Series 2011 (Whitney Museum of American Art) (the "Series 2011 Bonds") in the principal amount of \$125,000,000 and loaned the proceeds thereof to the Whitney Museum of American Art for the purpose of financing a portion of the costs of the construction, improvement, furnishing, equipping of, and transitioning to approximately 220,000 square foot building in Lower Manhattan, New York, as described in note 3. The Series 2011 Bonds are special obligations of the Trust payable and secured by loan repayments that the Trust receives from the Whitney Museum of American Art pursuant to the Loan Agreement, dated as of August 1, 2011, between the Trust and the Whitney Museum of American Art, which revenues and payments are pledged under the Revenue Bond Resolution adopted by the Trust on June 28, 2011. No other funds or assets of the Trust are pledged towards the payment of such bonds.

The Series 2011 Bonds were issued without credit enhancement or liquidity support. The Series 2011 Bonds bear interest at fixed rates until the maturity thereof. Interest is payable semiannually every January 1 and July 1, commencing January 1, 2012.

The maturity dates of the Series 2011 Bonds are as follows:

<b><u>Series 2011 Bonds</u></b>		
<b><u>Maturity Dates</u></b>	<b><u>Issued Amount</u></b>	<b><u>Interest Rate</u></b>
July 1, 2017	\$ 25,000,000	5.00%
July 1, 2021	50,000,000	5.00
July 1, 2022	1,485,000	4.00
July 1, 2023	1,555,000	5.25
July 1, 2024	1,640,000	5.25
July 1, 2025	1,730,000	5.25
July 1, 2026	1,820,000	5.25
July 1, 2027	1,915,000	5.00
July 1, 2028	2,015,000	5.00
July 1, 2029	2,120,000	5.00
July 1, 2030	2,230,000	5.00
July 1, 2031	<u>33,490,000</u>	5.00
	<u>\$ 125,000,000</u>	

At December 31, 2012 and 2011, \$125,000,000 of the Series 2011 Bonds remained outstanding.

## 6. DUE TO CULTURAL INSTITUTIONS

The following represents due to various cultural institutions:

	<b>December 31,</b>	
	<b>2012</b>	<b>2011</b>
Due to Carnegie Hall	* \$ 240,518	\$ 266,936
Due to Guggenheim Foundation	5,147	5,946
Due to American Museum of Natural History	5,442	8,555
Due to New York Botanical Garden	* 202,000	* 228,676
Due to The Asia Society	4,609	5,119
Due to The Manhattan School of Music	5,671	5,873
Due to Museum of American Folk Art	-	7,682
Due to International Center of Photography	5,142	* 21,115
Due to Alvin Ailey Dance Foundation	4,751	6,764
Due to The Pierpont Morgan Library	5,373	5,172
Due to Wildlife Conservation Society	2,499	2,750
Due to Lincoln Center for the Performing Arts	* 270,163	* 298,013
Due to WNYC Radio	4,813	4,813
Due to The School of American Ballet	5,379	6,167
Due to The Juilliard School	* 302,587	* 329,269
Due to The Metropolitan Museum of Art	* 226,336	* 254,057
Due to Whitney Museum of American Art	* 333,487	* 356,340
Total due to cultural institutions	<u>\$ 1,623,917</u>	<u>\$ 1,813,247</u>

\* These represent nonrefundable funds received at the bond closing dates to be used for future administrative costs relating to such bond issues.

In addition, all other monies are requested on a yearly basis from the individual institutions and are, therefore, refundable upon full bond redemption of the institution.

## 7. CAPITAL ASSETS

Capital assets consist of the following at December 31, 2012 and 2011:

	<b>Balance, December 31, 2011</b>	<b>Additions</b>	<b>Balance, December 31, 2012</b>
Capital assets not being depreciated:			
Land	\$ 4,760,253	\$ -	\$ 4,760,253
Capital assets being depreciated:			
Buildings	60,238,193	-	60,238,193
Less accumulated depreciation	(43,068,769)	(1,505,956)	(44,574,725)
Net capital assets being depreciated	<u>17,169,424</u>	<u>(1,505,956)</u>	<u>15,663,468</u>
Total capital assets	<u>\$ 21,929,677</u>	<u>\$ (1,505,956)</u>	<u>\$ 20,423,721</u>

	<b>Balance, December 31, 2010</b>	<b>Additions</b>	<b>Balance, December 31, 2011</b>
Capital assets not being depreciated:			
Land	\$ 4,760,253	\$ -	\$ 4,760,253
Capital assets being depreciated:			
Buildings	60,238,193	-	60,238,193
Less accumulated depreciation	<u>(41,562,813)</u>	<u>(1,505,956)</u>	<u>(43,068,769)</u>
Net capital assets being depreciated	<u>18,675,380</u>	<u>(1,505,956)</u>	<u>17,169,424</u>
Total capital assets	<u>\$ 23,435,633</u>	<u>\$ (1,505,956)</u>	<u>\$ 21,929,677</u>

The building is being depreciated on the straight-line basis over a 40 year life.

## 8. LONG-TERM LIABILITIES

Long-term liabilities consist of the following at December 31, 2012 and 2011:

	As Restated December 31, 2011	Interest and Amortization	Issuance of New Bonds	Redemption of Current Portion of Bonds	Redemptions and Refundings of Bonds	December 31, 2012	Liabilities due within one year
Payable to Museum of Modern Art	\$ 169,003,826	\$ 1,058,969	\$ -	\$ -	\$ -	\$ 170,062,795	\$ -
Due to bondholders:							
Bonds payable	46,820,000	-	38,360,000	(2,200,000)	(44,620,000)	38,360,000	2,980,000
Unamortized (discount) premium	<u>(320,353)</u>	<u>(650,781)</u>	<u>6,430,918</u>	<u>-</u>	<u>294,019</u>	<u>5,753,803</u>	<u>-</u>
Total due to bondholders	<u>46,499,647</u>	<u>(650,781)</u>	<u>44,790,918</u>	<u>(2,200,000)</u>	<u>(44,325,981)</u>	<u>44,113,803</u>	<u>2,980,000</u>
Total long-term liabilities	<u>\$ 215,503,473</u>	<u>\$ 408,188</u>	<u>\$ 44,790,918</u>	<u>\$ (2,200,000)</u>	<u>\$ (44,325,981)</u>	<u>\$ 214,176,598</u>	<u>\$ 2,980,000</u>

	December 31, 2010	Interest and Amortization	Redemption of Current Portion of Bonds	Return to MOMA for Debt Service Funding	As Restated December 31, 2011	Liabilities due within one year
Payable to Museum of Modern Art	\$ 167,451,599	\$ 1,552,227	\$ -	\$ -	\$ 169,003,826	\$ -
Due to bondholders:						
Bonds payable	48,620,000	-	(1,800,000)	-	46,820,000	2,200,000
Unamortized (discount) premium	<u>(376,339)</u>	<u>55,986</u>	<u>-</u>	<u>-</u>	<u>(320,353)</u>	<u>-</u>
Total due to bondholders	<u>48,243,661</u>	<u>55,986</u>	<u>(1,800,000)</u>	<u>-</u>	<u>46,499,647</u>	<u>2,200,000</u>
Total long-term liabilities	<u>\$ 215,695,260</u>	<u>\$ 1,608,213</u>	<u>\$ (1,800,000)</u>	<u>\$ -</u>	<u>\$ 215,503,473</u>	<u>\$ 2,200,000</u>

The December 31, 2011 and 2012 figures were adjusted to reflect the implementation of GASB Statement No. 63 and GASB Statement No. 65.

## **9. SUBSEQUENT EVENTS**

The Trust has evaluated events after December 31, 2012, and through March 21, 2013, which is the date the financial statements were available to be issued, and determined that any events or transactions occurring during this period that would require recognition or disclosure are properly addressed in these basic financial statements.

On March 12, 2013, the Trust issued \$79,180,000 of its Revenue Bonds, Series 2013A (Wildlife Conservation Society) to finance a portion of the costs of certain facilities at the Bronx Zoo and refund the Trust's Revenue Bonds, Series 2004 (Wildlife Conservation Society).

THE TRUST FOR CULTURAL RESOURCES  
OF THE CITY OF NEW YORK

Combining Statement of Net Position  
DECEMBER 31, 2012

	The Museum of Modern Art	Carnegie Hall	The Solomon R. Guggenheim Foundation	The American Museum of Natural History	The New York Botanical Garden	The Asia Society	Manhattan School of Music	American Folk Art Museum	International Center of Photography	Alvin Ailey Dance Foundation, Inc.
<b>ASSETS</b>										
Current Assets:										
Other current assets	\$ 701,227	\$ 10,619	\$ 14,419	\$ 11,619	\$ 10,619	\$ 10,619	\$ 10,764	\$ -	\$ 10,619	\$ 12,919
Noncurrent Assets:										
Restricted cash and cash equivalents	4,177,943	240,518	5,147	5,442	202,000	4,609	5,671	-	5,142	4,751
Land	4,760,253	-	-	-	-	-	-	-	-	-
Capital assets, other than land, net	15,663,468	-	-	-	-	-	-	-	-	-
Total noncurrent assets	24,601,664	240,518	5,147	5,442	202,000	4,609	5,671	-	5,142	4,751
Total assets	25,302,891	251,137	19,566	17,061	212,619	15,228	16,435	-	15,761	17,670
<b>DEFERRED OUTFLOWS OF RESOURCES</b>										
Deferred amount on refunding (net)	1,076,269	-	-	-	-	-	-	-	-	-
Total deferred outflow	1,076,269	-	-	-	-	-	-	-	-	-
<b>LIABILITIES AND NET ASSETS</b>										
Current Liabilities:										
Accounts payable and accrued expenses	870,679	10,619	14,419	11,619	10,619	10,619	10,764	-	10,619	12,919
Due to cultural institutions	-	240,518	5,147	5,442	202,000	4,609	5,671	-	5,142	4,751
Due to NYC Economic Development Corp.	-	-	-	-	-	-	-	-	-	-
Current portion of bonds payable	2,980,000	-	-	-	-	-	-	-	-	-
Interest payable on bonds	430,938	-	-	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-	-	-	-
Total current liabilities	4,281,617	251,137	19,566	17,061	212,619	15,228	16,435	-	15,761	17,670
Noncurrent Liabilities:										
Payable to Museum of Modern Art	170,062,795	-	-	-	-	-	-	-	-	-
Bonds payable (net)	41,133,803	-	-	-	-	-	-	-	-	-
Total noncurrent liabilities	211,196,598	-	-	-	-	-	-	-	-	-
Total liabilities	215,478,215	251,137	19,566	17,061	212,619	15,228	16,435	-	15,761	17,670
<b>DEFERRED INFLOWS OF RESOURCES</b>										
Deferred revenue	1,613,679	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	1,613,679	-	-	-	-	-	-	-	-	-
<b>NET POSITION</b>										
Unrestricted	(211,136,455)	-	-	-	-	-	-	-	-	-
Invested in capital assets (net of debt)	20,423,721	-	-	-	-	-	-	-	-	-
Total net position	\$ (190,712,734)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

**THE TRUST FOR CULTURAL RESOURCES  
OF THE CITY OF NEW YORK**

Schedule 1  
(Continued)

**Combining Statement of Net Position, Continued  
DECEMBER 31, 2012**

	The Pierpont Morgan Library	Wildlife Conservation Society	Lincoln Center for the Performing Arts	New York Public Radio	The School of American Ballet	The Juilliard School	The Metropolitan Museum of Art	Whitney Museum of American Art	DECEMBER 31, 2012 TOTAL
<b>ASSETS</b>									
Current Assets:									
Other current assets	\$ 10,619	\$ 10,619	\$ 10,619	\$ 10,619	\$ 13,619	\$13,119	\$ 10,619	\$ 10,619	\$ 883,876
Noncurrent Assets:									
Restricted cash and cash equivalents	5,373	2,499	270,163	4,813	5,379	302,587	226,336	333,487	5,801,860
Land	-	-	-	-	-	-	-	-	4,760,253
Capital assets, other than land, net	-	-	-	-	-	-	-	-	15,663,468
Total noncurrent assets	5,373	2,499	270,163	4,813	5,379	302,587	226,336	333,487	26,225,581
Total assets	15,992	13,118	280,782	15,432	18,998	315,706	236,955	344,106	27,109,457
<b>DEFERRED OUTFLOWS OF RESOURCES</b>									
Deferred amount on refunding (net)	-	-	-	-	-	-	-	-	1,076,269
Total deferred outflow	-	-	-	-	-	-	-	-	1,076,269
<b>LIABILITIES AND NET ASSETS</b>									
Current Liabilities:									
Accounts payable and accrued expenses	10,619	10,619	10,619	10,619	13,619	13,119	10,619	10,619	1,053,328
Due to cultural institutions	5,373	2,499	270,163	4,813	5,379	302,587	226,336	333,487	1,623,917
Due to NYC Economic Development Corp.	-	-	-	-	-	-	-	-	-
Current portion of bonds payable	-	-	-	-	-	-	-	-	2,980,000
Interest payable on bonds	-	-	-	-	-	-	-	-	430,938
Other liabilities	-	-	-	-	-	-	-	-	-
Total current liabilities	15,992	13,118	280,782	15,432	18,998	315,706	236,955	344,106	6,088,183
Noncurrent Liabilities:									
Payable to Museum of Modern Art	-	-	-	-	-	-	-	-	170,062,795
Bonds payable (net)	-	-	-	-	-	-	-	-	41,133,803
Total noncurrent liabilities	-	-	-	-	-	-	-	-	211,196,598
Total liabilities	15,992	13,118	280,782	15,432	18,998	315,706	236,955	344,106	217,284,781
<b>DEFERRED INFLOWS OF RESOURCES</b>									
Deferred revenue	-	-	-	-	-	-	-	-	1,613,679
Total deferred inflows of resources	-	-	-	-	-	-	-	-	1,613,679
<b>NET POSITION</b>									
Unrestricted	-	-	-	-	-	-	-	-	(211,136,455)
Invested in capital assets (net of debt)	-	-	-	-	-	-	-	-	20,423,721
Total net position	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (190,712,734)

THE TRUST FOR CULTURAL RESOURCES  
OF THE CITY OF NEW YORK

Schedule 2

Combining Statement of Revenues, Expenses, and Changes in Net Position

For the Year Ended December 31, 2012

	The Museum of Modern Art	Carnegie Hall	The Solomon R. Guggenheim Foundation	The American Museum of Natural History	The New York Botanical Garden	The Asia Society	Manhattan School of Music	American Folk Art Museum	International Center of Photography
<b>OPERATING REVENUES:</b>									
Tax equivalency receipts (note 3)	\$ 6,393,515	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reimbursement of expenses	-	25,619	29,419	36,619	25,619	25,619	25,764	-	25,619
Total operating revenues	6,393,515	25,619	29,419	36,619	25,619	25,619	25,764	-	25,619
<b>OPERATING EXPENSES:</b>									
Interest on outstanding bonds	2,165,688	-	-	-	-	-	-	-	-
Other interest and amortization	894,932	-	-	-	-	-	-	-	-
Depreciation	1,505,956	-	-	-	-	-	-	-	-
Payments in lieu of taxes	1,552,061	-	-	-	-	-	-	-	-
General and administrative	93,271	25,619	29,419	36,619	25,619	25,619	25,764	-	25,619
Total operating expenses	6,211,908	25,619	29,419	36,619	25,619	25,619	25,764	-	25,619
Operating income	181,607	-	-	-	-	-	-	-	-
<b>NONOPERATING REVENUES:</b>									
Income from investments	3,613	-	-	-	-	-	-	-	-
Change in net position	185,220	-	-	-	-	-	-	-	-
NET POSITION, BEGINNING OF YEAR	(190,897,954)	-	-	-	-	-	-	-	-
NET POSITION, END OF YEAR	\$ (190,712,734)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

THE TRUST FOR CULTURAL RESOURCES  
OF THE CITY OF NEW YORK

Schedule 2  
(Continued)

Combining Statement of Revenues, Expenses, and Changes in Net Position, Continued

For the Year Ended December 31, 2012

	Alvin Ailey Dance Foundation, Inc.	The Pierpont Morgan Library	Wildlife Conservation Society	Lincoln Center for the Performing Arts	New York Public Radio	The School of American Ballet	The Juilliard School	The Metropolitan Museum of Art	Whitney Museum of American Art	December 31, 2012 TOTAL
<b>OPERATING REVENUES:</b>										
Tax equivalency receipts (note 3)	\$ 27,919	25,619	25,619	25,619	25,619	28,619	28,119	25,619	-	\$ 6,393,515
Reimbursement of expenses	27,919	25,619	25,619	25,619	25,619	28,619	28,119	25,619	25,619	432,649
Total operating revenues										6,826,164
<b>OPERATING EXPENSES:</b>										
Interest on outstanding bonds	-	-	-	-	-	-	-	-	-	2,165,688
Other interest and amortization	-	-	-	-	-	-	-	-	-	894,932
Depreciation	-	-	-	-	-	-	-	-	-	1,505,956
Payments in lieu of taxes	-	-	-	-	-	-	-	-	-	1,552,061
General and administrative	27,919	25,619	25,619	25,619	25,619	28,619	28,119	25,619	25,619	525,920
Total operating expenses	27,919	25,619	25,619	25,619	25,619	28,619	28,119	25,619	25,619	6,644,557
Operating income	-	-	-	-	-	-	-	-	-	181,607
<b>NONOPERATING REVENUES:</b>										
Income from investments	-	-	-	-	-	-	-	-	-	3,613
Change in net position	-	-	-	-	-	-	-	-	-	185,220
NET POSITION, BEGINNING OF YEAR	-	-	-	-	-	-	-	-	-	(190,897,954)
NET POSITION, END OF YEAR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (190,712,734)

THE TRUST FOR CULTURAL RESOURCES  
OF THE CITY OF NEW YORK

Schedule 3

Combining Statement of Cash Flows

For the Year Ended December 31, 2012

	The Museum of Modern Art	Carnegie Hall	The Solomon R. Guggenheim Foundation	The American Museum of Natural History	The New York Botanical Garden	The Asia Society	Manhattan School of Music	American Folk Art Museum	International Center of Photography
<b>Cash flows from operating activities:</b>									
Receipts from tax equivalency payments	\$ 6,399,775	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Payments of interest expense on outstanding bonds	(2,747,950)	-	-	-	-	-	-	-	-
Payments in lieu of taxes	(1,530,834)	-	-	-	-	-	-	-	-
Payments of general and administrative expenses	(139,906)	(26,813)	(26,813)	(40,133)	(27,028)	(27,523)	(27,216)	(7,365)	(35,000)
Net cash (used in) provided by operating activities	1,981,085	(26,813)	(26,813)	(40,133)	(27,028)	(27,523)	(27,216)	(7,365)	(35,000)
<b>Cash flows from investing activities:</b>									
Investment income	3,613	-	-	-	-	-	-	-	-
Entity contribution for administrative costs	-	-	26,000	37,000	-	27,000	27,000	-	19,000
Final payment of funds to entity	-	-	-	-	-	-	-	(323)	-
Other	-	395	14	20	352	13	14	6	27
Net cash provided by investing activities	3,613	395	26,014	37,020	352	27,013	27,014	(317)	19,027
<b>Cash flows from capital and related financing activities:</b>									
Redemption of bonds	(46,820,000)	-	-	-	-	-	-	-	-
Repayment of the MOMA debt financing	44,473,029	-	-	-	-	-	-	-	-
Net cash used in capital and related financing activities	(2,346,971)	-	-	-	-	-	-	-	-
Net (decrease) increase in cash and cash equivalents	(362,273)	(26,418)	(799)	(3,113)	(26,676)	(510)	(202)	(7,682)	(15,973)
Cash and cash equivalents, beginning of the year:	4,540,216	266,936	5,946	8,555	228,676	5,119	5,873	7,682	21,115
Cash and cash equivalents, at end of year:	\$ 4,177,943	\$ 240,518	\$ 5,147	\$ 5,442	\$ 202,000	\$ 4,609	\$ 5,671	\$ -	\$ 5,142

(Continued)

THE TRUST FOR CULTURAL RESOURCES  
OF THE CITY OF NEW YORK

Combining Statement of Cash Flows, Continued

For the Year Ended December 31, 2012

	Alvin Ailey Dance Foundation, Inc.	The Pierpont Morgan Library	Wildlife Conservation Society	Lincoln Center for the Performing Arts	New York Public Radio	The School of American Ballet	The Juilliard School	The Metropolitan Museum of Art	Whitney Museum of American Art	December 31, 2012 Total
<b>Cash flows from operating activities:</b>										
Receipts from tax equivalency payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,399,775
Payments of interest expense on outstanding bonds	-	-	-	-	-	-	-	-	-	(2,747,950)
Payments in lieu of taxes	-	-	-	-	-	-	-	-	-	(1,530,834)
Payments of general and administrative expenses	(27,028)	(26,813)	(27,260)	(28,313)	(28,013)	(27,802)	(27,195)	(28,113)	(23,395)	(601,729)
Net cash (used in) provided by operating activities	(27,028)	(26,813)	(27,260)	(28,313)	(28,013)	(27,802)	(27,195)	(28,113)	(23,395)	1,519,262
<b>Cash flows from investing activities:</b>										
Investment income	-	-	-	-	-	-	-	-	-	3,613
Entity contribution for administrative costs	25,000	27,000	27,000	-	28,000	27,000	-	-	-	270,000
Final payment of funds to entity	-	-	-	-	-	-	-	-	-	(323)
Other	15	14	9	463	13	14	513	392	542	2,816
Net cash provided by investing activities	25,015	27,014	27,009	463	28,013	27,014	513	392	542	276,106
<b>Cash flows from capital and related financing activities:</b>										
Redemption of bonds	-	-	-	-	-	-	-	-	-	(46,820,000)
Repayment of the MOMA debt financing	-	-	-	-	-	-	-	-	-	44,473,029
Net cash used in capital and related financing activities:	-	-	-	-	-	-	-	-	-	(2,346,971)
Net (decrease) increase in cash and cash equivalents	(2,013)	201	(251)	(27,850)	-	(788)	(26,682)	(27,721)	(22,853)	(551,603)
Cash and cash equivalents, beginning of the year:	6,764	5,172	2,750	298,013	4,813	6,167	329,269	254,057	356,340	6,353,463
Cash and cash equivalents, at end of year	\$ 4,751	\$ 5,373	\$ 2,499	\$ 270,163	\$ 4,813	\$ 5,379	\$ 302,587	\$ 226,336	\$ 333,487	\$ 5,801,860

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER  
MATTERS, INCLUDING COMPLIANCE WITH INVESTMENT GUIDELINES,  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Board of Trustees  
The Trust for Cultural Resources  
of The City of New York  
New York, New York:

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, the accompanying statements of net position of The Trust for Cultural Resources of The City of New York (the Trust), as of and for the year ended December 31, 2012, and revenues, expenses and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 21, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Trust's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Trust's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Trust's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Trust's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, including compliance with investment guidelines, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

## Purpose of This Report

This purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Accounting Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Toski & Co., CPAs, P.C.

Williamsville, New York  
March 21, 2013

THE TRUST FOR CULTURAL RESOURCES  
OF THE CITY OF NEW YORK  
Schedule of Prior Year's Findings

(2011-1) Public Authorities Reform Act of 2009

Observation - The Public Authorities Reform Act of 2009 (PARA) was signed into law December 11, 2009 and was effective beginning March 1, 2010, amending the public authorities law and the executive law previously established in 2005. PARA has increased the amount of regulation and transparency required for public authorities, such as the Trust. These new requirements include increased timely reporting and website disclosure requirements regarding the Trust's mission statement and performance measures, enabling legislation, four year financial plan, detail of the board structure and committees, and schedule of board meetings, etc.

In connection with our audit, we noted that the Trust does report financial and other required information through the Public Authorities Reporting Information System (PARIS) to the Authority Budget Office (ABO). However pursuant to PARA, the reporting of a complete and detailed set of reports setting forth the Trust's operations, accomplishments, and financial reports to the ABO is required to be reported within 90 days after the end of the Trust's fiscal year. It was noted that the Trust's audited financial statement and Annual Report for the year ended 2010 was not submitted by the 90 day deadline of March 31, 2011.

Current Status - This finding has been resolved.